

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

England & Wales · Charity number 258253

Details

Status Registered

Legal form Charitable company

Company number [00945991](#)

Registered 1969-04-14

Register [View on the Charity Commission register](#)

Contact

Address 22 Little Church Street
Rugby
Warwickshire
CV21 3AW

Phone 01788220699

Email office@sga.org.uk

Website www.sga.org.uk

Activities

Objects: TO PROCLAIM THE GOSPEL TO SLAVIC SPEAKING PEOPLES AND OTHERS THROUGHOUT THE WORLD BY ANY MEANS THE ASSOCIATION THINKS PROPER. TO RELIEVE NEED, POVERTY, DISTRESS AND SUFFERING, INCLUDING STARVATION, ILLNESS AND ANY PHYSICAL OR MENTAL IMPAIRMENT AND AFFLICTION IN THOSE PARTS OF THE WORLD IN WHICH THE ASSOCIATION OPERATES.

Activities: The object of the charity is to reach with the Gospel of Jesus Christ the 300 million Slavic people and others throughout the world, and to relieve need, in those parts of the world in which the Association operates. In practice this is accomplished by assisting the Church in Central and Eastern Europe and Central Asia to become fully equipped to fulfil the great commission of Jesus Christ.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** The Prevention Or Relief Of Poverty, Religious Activities
- **Who:** Children/young People, Elderly/old People, People Of A Particular Ethnic Or Racial Origin, Other Charities Or Voluntary Bodies, Other Defined Groups

Geography

- **Area of benefit:** NATIONAL AND FOREIGN
- Armenia
- Bosnia And Herzegovina
- Bulgaria
- Hungary
- Kazakhstan
- Kyrgyzstan
- Macedonia
- Moldova
- Mongolia
- Poland
- Romania
- Russia
- Serbia
- Slovakia
- Tajikistan
- Turkmenistan
- Ukraine
- Uzbekistan

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£1,755,087	£1,574,492	£2,372,340	10
2023-12-31	£1,551,946	£1,725,636	£2,184,807	11
2022-12-31	£2,730,828	£2,171,150	£2,353,357	10
2021-12-31	£1,326,706	£1,444,124	£1,841,903	10
2020-12-31	£1,452,912	£1,013,060	£1,961,593	10

Trustees

Name	Role	Appointed
DONALD HARVEY		
Dr Frank Andris Ievins		2022-10-01
John Knox		2016-08-01
Mr C Smith		2014-02-25
Paul James Kinnaird		2025-06-02
Raymond William Trainer		2019-06-18
Stephen Robert West		2022-10-01

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

England & Wales - Charity number 258253

Accounts

Charity registration number 258253 (England and Wales)

Company registration number 00945991

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Dr F A levins Mr S R West Rev R W Trainer Rev J A Knox Mr E Macdonald Mr C J K Smith Mr D F Harvey
Charity number	258253
Company number	00945991
Registered office	22 Little Church Street Rugby Warwickshire England CV21 3AW
Auditor	James Todd & Co Limited Drayton House Drayton Lane Chichester West Sussex England PO20 2EW
Bankers	Barclays Bank PLC North Street Rugby Warwickshire CV21 2AH

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

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SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2024

The trustees present their annual report and financial statements for the year ended 31 December 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, 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 objects of SGA are to assist the Church in Central and Eastern Europe, Central Asia, Far East Russia and Mongolia to become fully equipped to fulfil the Great Commission of Jesus Christ, particularly among its own peoples by training workers, sponsoring leaders, providing Christian literature and distributing aid.

The means adopted to accomplish the objectives of the charity are summed up in the purpose statement – To serve Christ and His Church.

The charity believes that the most effective way for the Mission to achieve its objectives is to find and support local churches and individuals who have the vision to make Jesus and the love of God known through their words and actions. Therefore, the charity makes grants, provides teaching, training, gifts in kind and other resources to churches, individuals, and organisations through their four core ministries:

(1) Biblical Leadership Training [Training Workers] which prepares the indigenous church for Christian service through our Mission Schools. Over the years, leadership training, theological studies, and other educational training have been offered to students in Poland, Slovakia, Hungary, Serbia, Bulgaria, Romania, Moldova, Ukraine, and Central Asia. Gifted Christian workers recommended by the local churches are given the opportunity to undertake a course of study to equip them for a lifetime of Christian service which brings maximum benefits to the public.

Students in Balti Mission School, Moldova, and Almaty Bible Institute, Kazakhstan receive grants to help cover the costs involved.

International Correspondence Bible School in Central Asia offers Christian education by extension.

(2) Leadership Support [Supporting Leaders] includes providing funds for pioneering Gospel workers, evangelists, church planters and missionary pastors. This offers practical and financial assistance to Christian workers who cannot be supported in-country. If this support were not available some would be required to leave their Christian ministry for work opportunities elsewhere. Also, supporting other church projects that include making grants towards the purchase or building of public places of worship and providing transportation for evangelists and pastors, is helping to advance the Gospel.

(3) Christian Literature [Publishing Literature]

provides resources such as Bibles and other literature in countries that have limited Biblical resources. Bible Commentaries plus other resources provide helpful information in understanding Biblical truth.

(4) Crisis Response [Distributing Aid]

Includes relief of poverty, medical assistance, food aid, emergency aid, disaster relief and other programmes for the benefit of the community. This support helps our partners in showing God's love in practical ways. SGA's Crisis Response ministry is of huge public benefit as the poor and needy, vulnerable and forsaken, forgotten and neglected are being provided for through many different means. Impoverished communities are receiving the necessities for survival and medical care at the point of need. The public benefits are enormous and far-reaching.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Strategies for achieving aims and objectives

Grant making policy

Grant making is always in response to requests from church leaders in Eastern Europe, Central Asia, Far East Russia and Mongolia, or a need observed by staff while on Field trips. Grants are only made to known partners and those recommended by long standing and trusted sources. Trustees have delegated responsibility for grant making from funds to the General Director for grants up to £10,000 from General Funds and £20,000 from Designated Funds. Amounts in excess of this must be approved by the Board of Directors.

We recognise the need to take steps to prevent the use of grants for money laundering, terrorist activity, bribery and purposes other than those for which they were given. To this end, Trustees hold SGA's partners accountable for the funds, resources, aid or training they have received and require them to produce regular reports of their activities and use of funding. In addition, SGA staff members visit partners who receive funding or other help from SGA.

All our partners understand that the grants, training, or gifts in kind are to be used for the benefit of the community they serve and are to be freely available to all sections of the community.

Achievements and performance

Training Workers

Teaching continues in the SGA mission schools and Bible Institutes across Central & Eastern Europe. Currently, the schools in Bulgaria, Poland and Moldova have healthy student groups. The Practical School of Theology, Oradea, Romania provides courses that complement the programme at Emanuel Christian University which is also partially funded by SGA. This has been a significant year at the university where the student intake is the largest in its existence.

In war-torn Ukraine, Odessa Theological Seminary, which is financially supported by SGA, continues to offer courses for all levels of education.

Training workers in Asia continues to make steady progress. A huge encouragement is in Almaty Bible Institute where, since its *inception thirty years ago*, this year sees the largest student group of approx. 240 including their satellite teaching centres.

A new development is with the Western Siberian Bible College, Omsk, Russia, where SGA is committed to sponsoring a 5-year bachelor programme. This is the Mission's first Bible-teaching involvement in Russia.

Another new development is sponsorship for the Preachers' School in Mongolia where 25 students have enrolled.

Supporting Leaders

This project includes financial support for missionary families, funding for Houses of Prayer and provision of transportation.

There are approx. 200 SGA-sponsored missionary pastors and students across Eastern Europe, Central Asia and Far East Russia. During the year several new missionary families were added to the support list.

Alongside this, is Emergency Support for missionary pastors in Ukraine which is a lifeline to those who are displaced or serve the Lord on the frontline.

The Board of Directors desire to be able to continue the support of our current number of national Gospel workers and fund all our ongoing projects on the Field at the present level.

Church Buildings - Funds were provided for the purchase and reconstruction of Houses of Prayer in Central Asia, Far East Russia, Ukraine, North Macedonia, and Moldova.

A loan of £50000 was made to Emanuel Church, Almaty, Kazakhstan which enabled the purchase of a suitable building for the new church plant.

Transportation – While a missionary in Ukraine benefited from funds for his vehicle repairs, Marina Tapcova, a missionary in Siberia, received funding to help with a car replacement. The aviation ministry in Far East Russia received funding to help cover running costs.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Publishing Literature

SGA is focusing its literature efforts on Central Asia as Bible sets are produced in several languages. Funds were provided for the translation and publication in the Kazakh, Pamir, Kyrgyz and Russian languages.

The translation of *'Faithful Leaders'* by R Tice was financed in Romanian.

Alongside our partners, Bibles were provided in Ukrainian.

Providing biblically sound literature is a vital part of our developing ministry in Mongolia. One of our projects is the production of systematic Bible Study material to teach young people sound doctrine in a way that is understandable to those brought up within the Mongolian culture. Work continues to produce a family Bible in the Mongolian language.

Regular funding was provided for in-country writers in Macedonia and Romania.

With a growing demand for Bibles in North Macedonia, our partner in mission, Ivan Grozdanov, requested funding to cover free Bible distribution to those who struggle financially.

SGA's Associate Editor, John Birnie, has produced a book emphasizing the joy of partnering in mission. This book contains contributions from long-standing friends on the Field.

Distributing Aid

Widows' Project which provides finance for heating, medical needs, food and clothing in Poland, Serbia, Macedonia, Bulgaria, Romania, Moldova, Ukraine and Central Asia continues to supply essential supplies.

Ukraine

During 2024 the Mission's commitment to providing for the most vulnerable has been demonstrated in several projects. Funding for fresh bottled water was provided for several village communities.

Hundreds of widows, and children including those bereft of loved ones due to the war, have received support through the local churches.

The children from SGA- sponsored, Grace Shelter, continue to receive vital support as house parents offer care to 40 children and young people.

Medical Evangelism Ministry in Ukraine offers free health checks. Extra funding was made available for clinics to be carried out on the frontline of the war in Ukraine. SGA funding covered the cost of the medication required.

A critical part of SGA's winter project was supplying fuel for generators, ensuring electricity supply during frequent Russian attacks on Ukraine's infrastructure. SGA raised funds for fuel so that church buildings could have light and heat when the electricity went off.

In consultation with Ukrainian church leaders, it was agreed that funds should be reserved for the following needs. It is clear, that huge financial sums will be required when a peace agreement is reached.

- Continued relief for refugees £140,000
- Caring for widows and families £40,000
- Post-trauma treatment £20,000
- Grace Shelter & Transition House £15,000
- Rebuilding Houses of prayer £70,000
- Printing of Bible Sets £50,000
- Resettling SGA's ministry partners £70,000
- Replacing vehicles £40,000
- Reopening Odessa seminary £20,000

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SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Hope Centres in Central Asia receive regular support [£35,000] where homeless children are provided with food and shelter. Funds were sent to cover the deficit for the erecting of three Hope Centres in Far East Russia, and one each in Bulgaria and Mongolia.

A Christian humanitarian organization in Serbia [Bread of Life] is striving to become self-supporting as there is still a shortfall in their funds. SGA has continued with its substantial funding throughout 2024 which has brought public benefit to all those who have received help.

Phoebe Projects

The following ministries received funding.

- Ministry in Central Asia received funding for a shelter for vulnerable mothers and children and sponsorship for a missionary to Muslim women.
- Two missionaries who evangelize children are supported - Marina Tapcova [Russia] and Bohuslava Havrilova [Slovakia].
- Emanuel Hospice, Oradea, Romania along with Casa Filip, Cluj, Romania, received substantial funds. Both of these facilities offer care to the terminally ill.
- Mary's House which offers accommodation and counselling for those who are contemplating aborting their unborn child received funding.

Children's Ministry

Funds were provided for camp ministry, making it possible for thousands to attend camps in Mongolia, Central Asia, Moldova and Poland.

Considerable funds were provided for 'Joy of Christmas' project in Central Asia through which thousands of children received Christmas gifts.

Radios/TV

We continued to help fund two radio programmes through Trans World Radio in Central Asia and one in Mongolia. Added to this was funding to provide radios and uploaded SD cards across Central Asia.

A T.V. programme produced by an SGA-sponsored missionary; Mihai Chidesa [Romania] is receiving funding to help cover the running costs of this weekly show.

Future Activities

Ministry developments:

- As SGA has entered a significant milestone this year—75 years of ministry—God continues to expand our work by opening new doors of opportunity. A key part of SGA's 75th-anniversary project is to send more missionary families into the spiritual harvest fields of Eastern Europe, Central Asia, and Mongolia as we seek to provide financial support.
- 'Bibles for the Nations' is a special project run in conjunction with *Bible Mission*, Germany. During 2025 an ambitious plan to complete the Kazakh Bible, distribute 30000 Bible sets in Kyrgyzstan, print family Bibles in the Pamir language, and publish at least 10000 copies of the family Bible in Mongolian is in place.
- It is our desire to develop the Preachers' School in Mongolia with an established curriculum.
- We are pleased to announce that SGA's teaching expansion at the Western Siberian Bible College in Omsk, Russia, is progressing. Our five-year commitment has begun with 100 committed to studies. We want to see further developments.
- The Mission wishes to continue the support of our current number of sponsored missionary pastors and fund all our ongoing projects in Eastern Europe, Far East Russia, Central Asia and Mongolia at the present level. We will seek to raise the required funds through deputation meetings, publishing 3 project leaflets annually, 'Project Response form' that accompanies the bi-monthly mailout and credit card/on-line giving.
- The five-year plan for funding 25 students in Almaty Bible Institute has been completed. An extension with an annual review has been established.
- The Mission desires to expand camp ministry in Mongolia and Siberia.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

- New staff members are required due to ministry expansion. Regional representatives are needed in several UK regions, an Assistant to the Field Director, a Home Director, and a Communications Coordinator.
- Plans are in place for two mission trips in summer 2025 with one to Uzbekistan and another to Poland. This is a unique opportunity to introduce young people to world mission.

Strategies

All projects were funded by donations from churches and individuals throughout United Kingdom and Ireland.

During the year the charity published three project leaflets, and six 'Response Cards' which accompanied the bi-monthly mail-out. They also promoted on-line giving, standing orders and credit card donations. Income from legacies and trusts also provided substantial finance. SGA claimed Gift Aid, where appropriate, which significantly increased income.

All the goals set for projects in Central/Eastern Europe, Central Asia and Far East Russia have been fulfilled through deputation, mail-outs and sponsorship.

The role of volunteers

The Trustees are very grateful to the many volunteers across the UK who give their time and energy to help Slavic Gospel Association and our partners. Volunteers help occasionally at the office in preparing the bi-monthly mail-out. In addition to this we have volunteers who plan itineraries for staff. The Phoebe Representatives operate in a voluntary capacity.

Activities for the public benefit

SGA is currently serving the local evangelical churches through its four areas of ministry: Biblical Leadership Training; Leadership Support; Christian Literature; Crisis Response; the purpose being to enable the churches to best serve their own society and offer aid where possible.

In all our projects and ministries, the public benefit of individuals, families or communities is paramount. It has always been the desire of the charity from its inception to show compassion to the needy and have a caring attitude toward the helpless.

Risk Management

The principle financial risk for SGA is of receiving insufficient regular income to pay grants to its partners in Eastern Europe, Central Asia, Far East Russia and Mongolia. SGA limits this risk by regular communication with donors and actively seeking new donors in particular churches and trust funds.

Trustees are aware of other financial risks including possible fraud and have systems in place to mitigate major risks. Cash is handled in both received and distributed gifts. Fraud is countered by two signatories on receipts for all transactions being kept and checked against planned expenditure. Recipients of gifts are known to SGA.

The Trustees also regularly review other operational risks to which the company is exposed and are satisfied that systems are in place to mitigate exposure to the major risks, which are identified as:

- Loss of key staff: Each member of our small staff performs a significant role. Good staff relations and a sense of Divine calling has led to an excellent retention record.

- Safety: Staff are briefed on personal safety precautions to be taken while abroad.

SGA continues to develop policies and procedures to manage risk and ensure effectiveness, probity and legal and regulatory compliance.

Project Fund Administration

There will be no administration charge deducted from funds that are allocated for special projects [PFA]. All financial gifts for projects, mission schools, and leadership support will be sent in their totality.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Key Performance Indicators

There are several measures in place to assess the impact that the charity's activities are having in Eastern Europe, Central Asia, Far East Russia and Mongolia.

- All recipients are held accountable to the Trustees of Slavic Gospel Association for the funds, resources, aid or training they have received and are expected to produce regular reports of their activities and use of any funding.
- In addition, regular visits are made to those partners in receipt of regular funding; occasional visits are made to all other partners in receipt of significant funding or other help to gather and collate information on progress and impact.
- Test, examination and assignment results help monitor the progress of Mission School students. The performance of graduates is monitored by Mission School directors and local church leadership.
- Regular reports from participants funded under Leadership Support help the charity to measure their performance. Also, each person is required to participate in regular financial reviews of their income.
- Beneficiaries from transportation funds are monitored on a regular basis.
- The impact of the charity's Crisis Response ministry is measured by regular reports and meetings during ministry trips by SGA staff.
- All partners understand that the grants, training or gifts in kind that they receive are in pursuit of the Charity's objectives and are for the benefit of the community they serve.

Asset cover for funds

Note 25 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.

Financial review

The financial result for the year shows a surplus of £180,943 [2023: deficit of £173,690], before changes in fixed asset valuations.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained for the following reasons.

[a] to provide funds which can be designated to specific projects to enable these projects to be undertaken at short notice and [b] to cover administration, fund-raising and support costs without which the charity could not function.

The trustees consider it prudent that designated reserves should be sufficient:

[a] to avoid the necessity of realising fixed assets held for the charity's use;

[b] to cover one year's administration fund-raising and support costs;

[c] to provide a pool equal to 10% of the average charitable expenditure over the preceding two years from which funds can be designated to specific projects.

The Board of Directors, which meets three times per year, administers the Charity and by this means monitors and ensures that there is sufficient funding to give working capital for the forthcoming period. Occasionally a sub-committee may be appointed by the Board of Trustees to complete a particular task and report back to the Board. The Trustees review their strategy and consider how best to use the surplus free reserves.

Of the £666,739 of unrestricted funds held at the year end, the trustees anticipate that these will be used for increased funding for current projects and planned ministry expansion during SGA's 75th anniversary year in 2025 and UK-based ministry development.

However, the directors are aware of the need to have large sums readily available sometimes for emergency relief and other charitable purposes.

All staff salaries are based on market value and are not performance related.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Reserves policy

Trustees keep under review the need for free reserves which are those unrestricted funds not invested in tangible fixed assets or designated for a specific purpose. Currently, to allow SGA to be managed efficiently and to provide a buffer for adverse contingencies, the Trustees' policy is that such reserves should be maintained at a level of between three and six months of expenditure. The level of reserves required to be maintained is around £336,000. This amount excludes the value of all assets as disposing of them could exceed six months.

The Trustees review the major risks that the Charity faces and believe that maintaining the reserves at the level stated will enable the Charity to meet its short term commitments in the event of adverse conditions.

Investment policy

The Board of Slavic Gospel Association has ruled that the preferred option of the charity is to invest funds in the many urgent needs presented on the Field rather than investment managed funds in the UK. This will be reviewed should surplus funds become available.

Data Protection

In view of data protection regulations, the Trustees have a policy in place. This policy is available on the Charity's website.

Safeguarding Vulnerable Groups

The Trustees have a policy that outlines the Charity's guidelines and precautions in relation to vulnerable groups who are being provided for or receiving care through SGA funding.

Structure, governance and management

The company is a company limited by guarantee, company number 00945991, and charity registration number 258253. The flysheet to the accounts gives details of the charity's principal addresses and those of other relevant organisations.

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

Dr F A Levins

Mr S R West

Rev R W Trainer

Rev J A Knox

Mr E Macdonald

Mr C J K Smith

Rev W F McCurrie

(Resigned 30 September 2024)

Mr D F Harvey

Recruitment and appointment of trustees

The directors are the Council Members to whom the overall responsibility of managing and running the Charity is entrusted. However, the General Director is responsible for implementing the vision and strategy agreed by Trustees and the day to day running of the organisation. As a co-opted member of the Council, he reports back at Trustees' meetings. All major policy decisions and those concerning capital expenditure are ratified by the Council who meet every four months with occasional online strategy meetings as required.

The Council Members are encouraged to propose names of possible future members, considering their:

- skills, knowledge and experience
- location and availability

Informal meetings followed by formal meetings are held with potential members, leading to a decision by the Council as to whether such persons are invited to serve. These procedures are accompanied by furnishing the candidate with the History and Aims of SGA, the Doctrinal Statement and the Responsibilities of a Council Member.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

A new Council Member is encouraged to undertake further training related to his particular role in the Association.

The company has sister organisations in Australia, Canada, New Zealand and the USA.

Remuneration policy

Trustees are not paid for their service in this role other than expenses and none had any financial beneficial interest in the company. A register of Trustees' interests is held to ensure that there are no conflicts of interest and this is updated annually. The directors act as Trustees of the Charity.

Statement of trustees' responsibilities

The trustees, who are also the directors of Slavic Gospel Association (British Section) Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Auditor

In accordance with the company's memorandum and articles of association, a resolution proposing that James Todd & Co. be reappointed as auditors of the company will be put to the Annual General Meeting.

The trustees' report was approved by the Board of Trustees.

Mr E Macdonald
Trustee

2 June 2025

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

Opinion

We have audited the financial statements of Slavic Gospel Association (British Section) Limited (the 'charity') for the year ended 31 December 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Oliver Read FCCA ACA (Senior Statutory Auditor)

For and on behalf of James Todd and Co Limited, Statutory Auditor

Chartered Accountants

Drayton House

Drayton Lane

Chichester

West Sussex

PO20 2EW

England

18 June 2025

James Todd and Co Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Total 2024 £	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Total 2023 £
Income and endowments from:							
Donations and legacies	3	992,976	669,785	1,662,761	731,015	758,766	1,489,781
Other trading activities	4	17,875	-	17,875	18,646	-	18,646
Investments	5	55,916	-	55,916	42,092	-	42,092
Other income	6	18,535	-	18,535	1,427	-	1,427
Total income		1,085,302	669,785	1,755,087	793,180	758,766	1,551,946
Expenditure on:							
Raising funds	7	58,346	-	58,346	75,163	-	75,163
Charitable activities	8	502,848	1,012,081	1,514,929	490,362	1,160,111	1,650,473
Other expenditure	14	1,217	-	1,217	-	-	-
Total expenditure		562,411	1,012,081	1,574,492	565,525	1,160,111	1,725,636
Net gains on investments	15	7,895	-	7,895	5,529	-	5,529
Net income/(expenditure)		530,786	(342,296)	188,490	233,184	(401,345)	(168,161)
Transfers between funds		(581,591)	581,591	-	(140,562)	140,562	-
Other recognised gains and losses:							
Other gains/(losses)	17	(3,140)	2,182	(958)	(952)	563	(389)
Net movement in funds	11	(53,945)	241,477	187,532	91,670	(260,220)	(168,550)
Reconciliation of funds:							
Fund balances at 1 January 2024		720,336	1,464,472	2,184,808	628,666	1,724,692	2,353,358
Fund balances at 31 December 2024		666,391	1,705,949	2,372,340	720,336	1,464,472	2,184,808

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2024

		2024		2023	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	18		180,352		151,168
Investments	19		163,442		155,547
			<u>343,794</u>		<u>306,715</u>
Current assets					
Stocks	20	15,354		15,071	
Debtors	21	86,699		52,688	
Cash at bank and in hand		1,944,727		1,829,410	
		<u>2,046,780</u>		<u>1,897,169</u>	
Creditors: amounts falling due within one year	22	(18,234)		(19,076)	
		<u>2,028,546</u>		<u>1,878,093</u>	
Net current assets			2,028,546		1,878,093
Total assets less current liabilities			<u>2,372,340</u>		<u>2,184,808</u>
The funds of the charity					
Unrestricted funds - general	25	666,391		720,336	
Unrestricted funds - designated	24	1,705,949		1,464,472	
		<u>2,372,340</u>		<u>2,184,808</u>	

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 2024.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, 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 trustees on 2 June 2025

Mr E Macdonald
Trustee

Mr C J K Smith
Trustee

Company registration number 00945991 (England and Wales)

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	27		98,170		(152,165)
Investing activities					
Purchase of tangible fixed assets		(39,770)		-	
Proceeds from disposal of tangible fixed assets		1,001		3,000	
Investment income received		55,916		42,092	
		<hr/>		<hr/>	
Net cash generated from investing activities			17,147		45,092
Net cash generated from financing activities			-		-
			<hr/>		<hr/>
Net increase/(decrease) in cash and cash equivalents			115,317		(107,073)
Cash and cash equivalents at beginning of year			1,829,410		1,936,483
			<hr/>		<hr/>
Cash and cash equivalents at end of year			1,944,727		1,829,410
			<hr/> <hr/>		<hr/> <hr/>

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

Charity information

Slavic Gospel Association (British Section) Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 22 Little Church Street, Rugby, Warwickshire, CV21 3AW, England.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

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

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

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity 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 charity's income consists of voluntary income, income from charitable activities and investment income.

The charity is not registered for VAT.

Cash donations are recognised on receipt. Other donations are recognised once the charity 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 recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Fundraising and trading income consists of monies generated from the sale of books, CD's and cards, as well as registration fees from delegates at the Charity's annual supporters conference. This is also recognised as income, when it is received.

Investment income is wholly bank and stock interest generated and is recognised in the SOFA when receivable.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

1.5 Expenditure

All expenditure is incurred in pursuit of the Charity's objects as laid down in the Memorandum and Articles of Association and is recognised in the accounts when payable.

The Charity's accounting system is designed to trace general fund expenditure and distinguish it from that directly attributable to a project. All expenditure incurred on designated funds (see analysis at note 8) is treated as direct charitable expenditure for charitable activities.

General fund expenditure is allocated to 5 broad headings of Administration, Promotions, Council Expenses, Eastern European Field and UK Home.

Administrative expenditure is treated as support costs for charitable expenditure whilst promotions costs are shown as costs of generating voluntary income as these relate to the production of promotional material.

Council expenses are the costs of holding regular council meetings, including reimbursing travelling expenses of the council members, and these are included as governance costs. Governance costs also include fees of the auditors to meet external scrutiny requirements.

Eastern European Field expenditure is treated as activities undertaken directly for charitable activities.

UK Home expenditure is split between costs of generating voluntary income and activities undertaken directly for charitable activities as it includes the costs of representatives who also make trips to Eastern Europe.

1.6 Tangible fixed assets

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

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

Freehold land and buildings	Straight line over 50 years
Computers	25% Reducing balance
Motor vehicles	20% Reducing balance

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 the statement of financial activities.

During 2020, it was deemed appropriate that land be depreciated at 0%. 25% of the land and buildings value has been appropriated to land and the cumulative effect of historic depreciation has been reversed. This is considered as a change of estimate, being a change in depreciation rate.

Tangible fixed assets are capitalised if they can be used for more than 1 year, and cost at least £1,000.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

1.8 Impairment of fixed assets

At each reporting end date, the charity 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 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

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 charity 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 charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

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

Basic financial assets

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

Basic financial liabilities

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

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

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

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

Derecognition of financial liabilities

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

1.12 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 charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Foreign exchange

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

1.15 Loans issued

Loans are occasionally issued to supported projects in Eastern Europe. These funds are repayable over a set term and no interest is charged. The amounts recoverable are included as receivables in the accounts.

If in the future the Trustees decide not to request repayment of these amounts, they will be written off as grants paid under Direct Charitable Activities.

2 Critical accounting estimates and judgements

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

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

3 Income from donations and legacies

	Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Total 2024 £	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Total 2023 £
Donations and gifts	702,531	669,785	1,372,316	670,971	758,766	1,429,737
Legacies	290,445	-	290,445	60,044	-	60,044
	<u>992,976</u>	<u>669,785</u>	<u>1,662,761</u>	<u>731,015</u>	<u>758,766</u>	<u>1,489,781</u>

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

3 Income from donations and legacies (Continued)

	Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Total 2024 £	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Total 2023 £
Donations and gifts						
Donations and gifts	447,343	531,255	978,598	397,632	599,355	996,987
Donations from trusts	51,400	49,800	101,200	77,310	62,741	140,051
Gift aid recovered	39,494	50,028	89,522	32,275	64,613	96,888
Conference offerings	62,175	10,398	72,573	66,173	8,794	74,967
Donations to fulltime staff	98,307	27,254	125,561	95,854	23,193	119,047
Donations to voluntary representatives	2,597	933	3,530	530	70	600
Other	1,215	117	1,332	1,197	-	1,197
	702,531	669,785	1,372,316	670,971	758,766	1,429,737
	702,531	669,785	1,372,316	670,971	758,766	1,429,737

Legacies which are expected, but which do not meet the recognition criteria for Legacies Receivable are considered as contingent assets. As these amounts generally cannot be valued with reasonable certainty, these are not separately disclosed.

4 Income from other trading activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Other income	17,875	18,646
	17,875	18,646
	17,875	18,646

5 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	55,916	42,092
	55,916	42,092
	55,916	42,092

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

6 Other income

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Net gain on disposal of tangible fixed assets	-	1,427
Insurance claim	18,535	-
	<u>18,535</u>	<u>-</u>

7 Activities for generating funds

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Costs of generating voluntary income		
Conference expenses	38,177	51,843
Advertising	16,751	19,975
	<u>54,928</u>	<u>71,818</u>
Cost of goods sold		
Other trading activities	3,418	3,345
	<u>58,346</u>	<u>75,163</u>

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

8 Expenditure on charitable activities

	Spreading the Gospel in Eastern Europe 2024 £	Spreading the Gospel in Eastern Europe 2023 £
Direct costs		
Direct costs	1,012,080	1,160,109
Telephone	651	1,010
Motor costs	2,849	1,803
	<u>1,015,580</u>	<u>1,162,922</u>
Grant funding of activities (see note 9)	6,300	15,158
Share of support and governance costs (see note 10)		
Support	479,174	456,558
Governance	13,875	15,835
	<u>1,514,929</u>	<u>1,650,473</u>
Analysis by fund		
Unrestricted funds - general	502,848	490,362
Unrestricted funds - designated	1,012,081	1,160,111
	<u>1,514,929</u>	<u>1,650,473</u>

9 Grants payable

	Spreading the Gospel in Eastern Europe 2024 £	Spreading the Gospel in Eastern Europe 2023 £
Grants to institutions (1 grant):		
Kovin Baptist Church	-	1,200
Bread of Life Tekeris Camp	-	13,958
Ruptawa Church	6,300	-
	<u>6,300</u>	<u>15,158</u>

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

10 Support costs allocated to activities	2024	2023
	£	£
Staff costs	367,762	371,432
Depreciation	8,369	8,147
Direct costs	5,058	3,775
Rent and rates	1,559	1,350
Insurance	2,782	2,963
Light and heat	2,045	1,865
Repairs and maintenance	14,207	1,853
Telephone	2,798	1,914
Printing, postage, stationery and computer costs	41,024	31,279
Motor and travel	19,687	18,423
Sundry	13,883	13,557
Governance costs	13,875	15,835
	<u>493,049</u>	<u>472,393</u>
Analysed between:		
Spreading the Gospel in Eastern Europe	<u>493,049</u>	<u>472,393</u>
	2024	2023
	£	£
Governance costs comprise:		
Audit fees	9,808	9,690
Accountancy	3,570	5,794
Legal and professional	314	221
Trustee's meeting costs	183	130
	<u>13,875</u>	<u>15,835</u>
	<u>13,875</u>	<u>15,835</u>
11 Net movement in funds	2024	2023
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	9,808	9,690
Depreciation of owned tangible fixed assets	8,369	8,147
Loss/(profit) on disposal of tangible fixed assets	1,217	(1,427)
	<u>1,217</u>	<u>(1,427)</u>

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

12 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, and during the year, one trustee was reimbursed for expenses totaling £183 (2023 - two trustees were reimbursed for expenses totaling £1,165) to cover costs incurred on charity business.

Total donations received from directors, key management personnel and their related parties, amounted to £24,721 (2023: £38,210). No related parties made purchases of things like books (2023: No related parties made purchases).

There are no other related party transactions requiring disclosure.

The charity was under the control of the directors throughout the year.

13 Employees

The average monthly number of employees during the year was:

	2024	2023
	Number	Number
Mission team members/field workers	6	7
Administration and promotion	4	4
	<hr/>	<hr/>
Total	10	11
	<hr/> <hr/>	<hr/> <hr/>

Employment costs	2024	2023
	£	£
Wages and salaries	309,615	308,021
Social security costs	26,948	29,381
Other pension costs	31,199	34,030
	<hr/>	<hr/>
	367,762	371,432
	<hr/> <hr/>	<hr/> <hr/>

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

Remuneration of key management personnel

	2024	2023
	£	£
Key management personnel remuneration for the year	74,250	71,875
	<hr/> <hr/>	<hr/> <hr/>

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

14 Other expenditure

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Net loss on disposal of tangible fixed assets	1,217	-
	<u> </u>	<u> </u>

15 Gains and losses on investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Gains/(losses) arising on:		
Revaluation of investments	7,895	5,529
	<u> </u>	<u> </u>

16 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

17 Other gains and losses

	Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Total 2024 £	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Total 2023 £
Gains/(losses) upon:						
Foreign exchange	3,140	(2,182)	958	952	(563)	389
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

18 Tangible fixed assets

	Freehold land and buildings	Computers	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 January 2024	151,498	7,182	74,268	232,948
Additions	-	2,379	37,391	39,770
Disposals	-	(6,713)	(12,950)	(19,663)
At 31 December 2024	151,498	2,848	98,709	253,055
Depreciation and impairment				
At 1 January 2024	22,724	5,391	53,664	81,779
Depreciation charged in the year	2,272	547	5,550	8,369
Eliminated in respect of disposals	-	(5,518)	(11,927)	(17,445)
At 31 December 2024	24,996	420	47,287	72,703
Carrying amount				
At 31 December 2024	126,502	2,428	51,422	180,352
At 31 December 2023	128,774	1,791	20,603	151,168

All tangible fixed assets are for charitable use, other than a small quantity of office equipment used in administration.

19 Fixed asset investments

	Listed investments
	£
Cost or valuation	
At 1 January 2024	155,547
Valuation changes	7,895
At 31 December 2024	163,442
Carrying amount	
At 31 December 2024	163,442
At 31 December 2023	155,547

20 Stocks

	2024	2023
	£	£
Finished goods and goods for resale	15,354	15,071

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

21 Debtors	2024	2023
	£	£
Amounts falling due within one year:		
Trade debtors	11	827
Other debtors	24,701	23,488
Prepayments and accrued income	11,983	14,686
	<u>36,695</u>	<u>39,001</u>
	2024	2023
	£	£
Amounts falling due after more than one year:		
Other debtors	50,004	13,687
	<u>50,004</u>	<u>13,687</u>
Total debtors	<u>86,699</u>	<u>52,688</u>
22 Creditors: amounts falling due within one year	2024	2023
	£	£
Accruals and deferred income	18,234	19,076
	<u>18,234</u>	<u>19,076</u>
23 Retirement benefit schemes	2024	2023
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	31,199	34,030
	<u>31,199</u>	<u>34,030</u>

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

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

24 Unrestricted funds - designated

These are unrestricted funds which are material to the charity's activities.

	At 1 January 2024 £	Incoming resources £	Resources expended £	Transfers	Gains and losses	At 31 December 2024 £
Support of East European Ministries	9,323	19,185	(24,443)	24,827	(118)	28,774
Support of Mission Schools	(9,815)	16,508	(50,216)	60,000	477	16,954
East European Leadership Support	124,053	221,675	(254,641)	130,000	(114)	220,973
Phoebe Projects	4,690	33,867	(37,790)	45,000	(107)	45,660
Literature Ministries	(10,068)	19,026	(73,269)	100,000	(60)	35,629
Radio Ministries	16,391	7,382	-	-	1,103	24,876
Vehicles for Eastern Europe	22,262	19,425	(18,081)	-	-	23,606
Widows Project	31,625	45,634	(86,165)	22,672	(442)	13,324
Special Projects	770,831	287,083	(467,476)	60,738	1,443	652,619
Media/Website	10,080	-	-	-	-	10,080
Loans Issued	150,000	-	-	(82,303)	-	67,697
Emergency Fund	184,210	-	-	-	-	184,210
Tangible fixed assets	160,889	-	-	20,658	-	181,547
UK Development Fund	-	-	-	200,000	-	200,000
	<u>1,464,471</u>	<u>669,785</u>	<u>(1,012,081)</u>	<u>581,592</u>	<u>2,182</u>	<u>1,705,949</u>

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

24 Unrestricted funds - designated (Continued)						
Previous year:	At 1 January 2023	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 December 2023
	£	£	£	£	£	£
Support of East European Ministries	38,518	29,535	(62,604)	3,925	(51)	9,323
Support of Mission Schools	26,008	8,573	(54,622)	10,000	226	(9,815)
East European Leadership Support	281,093	233,752	(405,774)	15,000	(18)	124,053
Phoebe Projects	11,533	27,017	(65,500)	31,637	3	4,690
Literature Ministries	17,870	23,064	(75,973)	25,000	(29)	(10,068)
Radio Ministries	48,133	12,406	(43,883)	-	(265)	16,391
Vehicles for Eastern Europe	14,895	12,477	(20,110)	15,000	-	22,262
Widows Project	10,700	68,054	(72,025)	25,000	(104)	31,625
Special Projects	770,762	343,888	(359,620)	15,000	801	770,831
Media/Website	10,080	-	-	-	-	10,080
Loans Issued	150,000	-	-	-	-	150,000
Emergency Fund	184,210	-	-	-	-	184,210
Tangible fixed assets	160,889	-	-	-	-	160,889
	<u>1,724,692</u>	<u>758,766</u>	<u>(1,160,111)</u>	<u>140,562</u>	<u>563</u>	<u>1,464,472</u>

The Project Fund payments as shown in this note include monthly contributions to General Funds for management and administration costs directly attributable to the work. These are provided at a maximum of 15% (9% admin, plus 6% publicity) on all gifts. The total transferred in this way is shown in notes 7 and 9 above.

Transfers between the project and emergency funds represent monies which have been utilised from General funds to cover the work carried out towards these individual projects.

Each of the items listed above represents an area of activities that the charity supports within Eastern Europe. Together these funds for the "Project Funds" which the charity operates. These are as a result of donations given for use towards a particular project, but for which the charity retains ultimate discretion as to its application. The transfers into these funds represent monies from General Funds to cover deficits on individual funds, as well as additional monies set aside by the trustees for use towards these projects.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

24 Unrestricted funds - designated

(Continued)

In order to increase the accuracy of the presentation of the financial status shown in the accounts, it has been decided by the Trustees to designate funds to the value of the tangible fixed assets. This is to reflect the restrictions that the assets impose upon the funds held; the money tied up in the property is not free to be spent without the assets being sold to realise these funds.

Monies have also been designated to retain sufficient funds to meet the charity's obligations should further funds not become available. The justification of this amount is as follows:

- To avoid the necessity of realising fixed assets held for the charity's use (see details above);
- To cover one year's administration, fund-raising and support costs;
- To provide a pool equal to 10% of the average charitable expenditure over the preceding two years from which the funds can be designated to specific projects.

Transfers to/from the Fixed asset fund represent the net movements on the tangible fixed assets during the year.

25 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2024	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 December 2024
	£	£	£	£	£	£
General funds	720,336	1,085,302	(562,411)	(581,591)	4,755	666,391
	<u>720,336</u>	<u>1,085,302</u>	<u>(562,411)</u>	<u>(581,591)</u>	<u>4,755</u>	<u>666,391</u>
Previous year:	At 1 January 2023	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 December 2023
	£	£	£	£	£	£
General funds	628,666	793,180	(565,525)	(140,562)	4,577	720,336
	<u>628,666</u>	<u>793,180</u>	<u>(565,525)</u>	<u>(140,562)</u>	<u>4,577</u>	<u>720,336</u>

26 Analysis of net assets between funds

	Unrestricted funds general 2024	Unrestricted funds designated 2024	Total 2024
	£	£	£
Fund balances at 31 December 2024 are represented by:			
Tangible assets	(1,195)	181,547	180,352
Investments	163,442	-	163,442
Current assets/(liabilities)	504,144	1,524,402	2,028,546
	<u>666,391</u>	<u>1,705,949</u>	<u>2,372,340</u>

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

26 Analysis of net assets between funds (Continued)

	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Total 2023 £
Fund balances at 31 December 2023 are represented by:			
Tangible assets	(356)	151,524	151,168
Investments	155,547	-	155,547
Current assets/(liabilities)	565,145	1,312,948	1,878,093
	720,336	1,464,472	2,184,808
	720,336	1,464,472	2,184,808

27 Cash generated from/(absorbed by) operations	2024 £	2023 £
Surplus/(deficit) for the year	188,490	(168,161)
Adjustments for:		
Investment income recognised in statement of financial activities	(55,916)	(42,092)
Foreign exchange differences	(958)	(389)
Loss/(gain) on disposal of tangible fixed assets	1,216	(1,426)
Fair value gains and losses on investments	(7,895)	(5,529)
Depreciation and impairment of tangible fixed assets	8,369	8,147
Movements in working capital:		
(Increase) in stocks	(283)	(6,401)
(Increase)/decrease in debtors	(34,011)	60,910
(Decrease)/increase in creditors	(842)	2,776
	98,170	(152,165)
Cash generated from/(absorbed by) operations	98,170	(152,165)

28 Analysis of changes in net funds

The charity had no material debt during the year.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

England & Wales - Charity number 258253

Accounts

Charity registration number 258253

Company registration number 00945991 (England and Wales)

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Dr F A Ievins Mr S R West Rev R W Trainer Rev J A Knox Mr E Macdonald Mr C J K Smith Rev W F McCurrie Mr D F Harvey
Secretary	Rev W F McCurrie
Charity number	258253
Company number	00945991
Registered office	22 Little Church Street Rugby Warwickshire England CV21 3AW
Auditor	James Todd & Co Limited Drayton House Drayton Lane Chichester West Sussex England PO20 2EW
Bankers	Barclays Bank PLC North Street Rugby Warwickshire CV21 2AH

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

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SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees present their annual report and financial statements for the year ended 31 December 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, 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 principal activity of the charity is to reach Slavic nations and others in Eastern Europe, Central Asia, Russian Far East, and Mongolia with the Gospel of Jesus Christ and to relieve need, distress and suffering in those parts of the world in which the Association operates.

The means followed in order to accomplish the objects of the charity is summed up in the purpose statement – To serve Christ and His Church.

In practice this is accomplished by assisting the Church on the Field to become fully equipped to fulfil the great Commission of Jesus Christ, particularly among its own peoples by training workers, sponsoring leaders, providing Christian literature, and distributing aid.

The charity believes that the most effective way for the Mission to achieve its objectives is to find and support local churches and individuals who have a vision to make Jesus and the love of God known through their words and actions. Therefore, the charity makes grants, provides teaching, training, gifts in kind and other resources to churches, individuals, and organisations through their four core ministries:

Biblical Leadership Training is the main focus of SGA's ministry which prepares the indigenous church for Christian service through our Mission Schools. The courses are designed with solid practical ministry, bringing maximum benefits to the public. At present twenty-six subjects covering Biblical & Doctrinal studies, Mission & Evangelism and Preaching & Pastoral Ministry are taught in Poland, Serbia, Hungary, Bulgaria, Romania, and Moldova.

The goal of the Mission Schools is to equip national Christians for evangelism, church planting, pastoral care and children's ministry. There are substantial benefits for the public as these students provide practical help, spiritual leadership and pastoral care in many urban and rural parts. Sunday schools, Bible clubs and summer camps are also provided for children in isolated areas. Many other ministries are undertaken by students among youth, drug addicts, widows, orphans, prisoners, refugees, dysfunctional families and those who have mental and physical disabilities.

Students in Balti Mission School, Moldova, and Almaty Bible Institute, Kazakhstan receive grants to help cover costs incurred.

ICBS

International Correspondence Bible School in Central Asia offers Christian education by extension.

During this year, 1,840 students took courses at this distance Bible school with over 40% belonging to Muslim peoples and ethnic groups of Central Asia. The five Muslim dominated countries of Central Asia comprise a profoundly needy mission field, but also a difficult one, with restriction and opposition to the Christian Gospel widespread. Many who would have little hope of opportunity to study and learn from the Scriptures, are being reached, taught and equipped to share their faith.

Bible Institutions

Further partnership in training is carried on through SGA's involvement in training programmes already established in institutions in several countries. Emanuel University in Oradea, Romania, is the only fully accredited Christian university in Eastern Europe. While SGA helps fund this institution, its teachers are involved in presenting subjects in the Masters Theological Curriculum.

Odessa Theological Seminary [OTS], Ukraine has introduced a new church planting training programme. Under the guidance of experienced local mentors, the students will gain invaluable practical experience of church work. Following successful completion of the programme, students will engage in church planting in various cities across Ukraine. SGA is partnering with OTS in this initiative and helps finance general running costs of OTS.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Presently there are over 230 students following the different ministry courses offered by Almaty Bible Institute. SGA provides generous financial support to allow students to attend classes, and also feeds into a well-established curriculum that is tailored to suit the needs of Central Asia by providing visiting lecturers. ABI's influence and Gospel effectiveness is vital for that region.

Leadership Support includes providing funds for pioneering churches and groups in new areas, growing and developing existing churches. Supporting other church projects that include making grants towards the purchase or building of public places of worship and providing transportation for evangelists and pastors, is helping the advancement of the Gospel.

Strategies for achieving aims and objectives

Christian Literature provides resources such as Bibles and other literature which clarifies Biblical truth.

Crisis Response includes relief of poverty, medical assistance, food aid, emergency aid, disaster relief and other programmes for the benefit of the community. This support helps our partners in showing God's love in these practical ways. Impoverished communities are receiving the necessities for survival and medical care at point of need. The public benefits are enormous and far reaching.

Grant making policy

Grant making is always in response to requests from church leaders in Eastern Europe, Central Asia, Far East Russia and Mongolia, or a need observed by staff while on Field trips. Grants are only made to known partners and those recommended by long standing and trusted sources. Trustees have delegated responsibility for grant making from funds to the General Director for grants up to £10,000 from General Funds and £20,000 from Designated Funds. Amounts in excess of these must be approved by the Board of Directors.

We recognise the need to take steps to prevent the use of grants for money laundering, terrorist activity, bribery and for purposes other than those for which they were given. To this end Trustees hold SGA's partners accountable for the funds, resources, aid or training they have received and require them to produce regular reports of their activities and use of funding. In addition, SGA staff members visit partners who receive funding or other help from SGA.

All our partners understand that the grants, training, or gifts in kind are to be used primarily for the advancement of the Gospel which will benefit the community they serve and are to be freely available to all sections of the community.

Achievements and performance

The past year has been one of significant achievements both in the UK and through our partners.

Training Workers [Biblical Leadership Support]

Following a rest period the teaching programme was relaunched in Bulgaria with a promising group of students.

Progress has been made in identifying several new UK-based teachers who are willing to travel and participate in Bible teaching.

The Mission has been able to continue funding for Emanuel University, Oradea, Romania; Odessa Seminary, Ukraine and Almaty Bible Institute, Kazakhstan.

Supporting Leaders [Leadership Support]

This offers practical and financial assistance to over 170 Christian leaders who cannot be fully supported by the small churches which they serve. Due to the increased cost of living, additional finance [£38,000] was made available to missionary families in various countries.

During the year several new missionary families were added to the support list.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Displaced pastors received regular support for their ministry.

A Pastors' Retreat was financed for those who were displaced and suffering due to the war in Ukraine.

Church Buildings - Funds were provided for the reconstruction of a Houses of Prayer in Shalviri, Moldova [£7,000]. Funds were made available for the purchase of Almaty Bible Institute site [£20,000].

Transportation - Second-hand vehicles were funded for two missionary families in Kazakhstan totalling £14,000. A minibus was provided for missionary work in Balti, Moldova [£6,300] and another vehicle for humanitarian relief in Kherson, Ukraine [8,500]. Aviation in Far East Russia received funding for a hangar.

Christian Literature

First instalment to cover the cost of reprinting Grudem's Systematic theology in Romanian was sent.

Distributing Aid

Widows' Project which provides finance for heating, medical needs, food and clothing in Poland, Serbia, Macedonia, Bulgaria, Romania, Moldova, Ukraine and Central Asia increased during 2023 to approx. £120,000.

Medical Evangelism Ministry in Moldova and Ukraine offers free health checks at medical clinics in many village churches and medicines are provided free of charge. Extra funding was made available for clinics to be carried out on the frontline of the war in Ukraine.

Hope Centres in Central Asia receive regular support where homeless children are provided with food and shelter. £40,000 was sent to cover the deficit in funds for the erecting of four Hope Centres in Uzbekistan.

Christian humanitarian organisation in Serbia [Bread of Life] is striving to become self-supporting as there is still a short fall in their funds. SGA has continued with its substantial funding throughout 2023 which has brought public benefit to all those who have received help.

Funding was provided for 25 student libraries in Moldova.

North Macedonia Bible Project received funding to help reduce the cost of Bibles for students and pensioners.

'Bibles for the Nations' - this year funding was made available for Russian Bibles and Kazakh New Testaments.

Regular funding was provided for in country writers in Macedonia and Romania.

The publication of a book outlining hope through the Gospel in war-torn Ukraine.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Ukraine Emergency Funding

The following were included in SGA's response.

- Widows – hundreds of widows including those bereft of loved ones in the war have received support through the local churches.
- Orphans – through SGA funding, 'family-type orphanages' have been established where families accommodate war orphans.
- The children from SGA sponsored, Grace Shelter, continue to receive vital support.
- Food boxes – these were prepared in a literature factory in west Ukraine and distributed across the country. These boxes feed a small family for one week.
- Bibles- getting God's Word into the hands of suffering, war-weary people.

In consultation with Ukrainian church leaders, it was reaffirmed during 2023 that funds should be reserved for the following needs:

- Continued relief for refugees £150,000
- Caring for widows and families £40,000
- Post-trauma treatment £20,000
- Grace Shelter & Transition House £30,000
- Rebuilding Houses of prayer £80,000
- Printing of Bible Sets £125,000
- Resettling SGA's ministry partners £70,000
- Replacing vehicles £40,000
- Reopening Odessa seminary £30,000

Phoebe Projects [Women's ministry]

The following ministries received funding:

- Two missionaries who evangelize children are supported - Marina Tsapcova [Russia] and Bohuslava Havrilova [Slovakia]. Also, a lady evangelist in Central Asia.
- Emanuel Hospice, Oradea, Romania along with Casa Filip, Cluj, Romania received substantial funds. Both of these facilities offer care to the terminally ill.
- Grace Shelter, Ukraine and Bread of Life, Serbia, both offering care for the vulnerable, were recipients of funding.
- Mary's House in Hungary is providing amazing support to expecting mothers, encouraging births rather than abortions.

Radios/uploaded SD cards

We continued to help fund a radio programme through "Voice of the Gospel", Romania. This ministry brings public benefit to many who are housebound, those recuperating from illness, or living in isolated areas where there is no church worship available.

Funding was provided for Trans World Radio sponsored programmes in Central Asia and Mongolia. Added to this was funding to provide radios and uploaded SD cards across Central Asia.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Children's Ministry

Funds were provided for camp ministry in Mongolia, Central Asia, Moldova and Poland.

Considerable funds were provided for *Joy of Christmas* project in Central Asia through which children are provided with Christmas gifts.

Future Activities

Ministry developments:

- Constructive discussions have taken place with church leaders in Romania, concerning Bible teaching developments. The opening of a new mission school in Targoviste, Romania is confirmed. Teaching will also commence with the School of Practical Theology in Oradea, Romania.
- To be able to continue the support of our current number of sponsored missionary pastors and fund all our ongoing projects in Eastern Europe, Far East Russia, Central Asia and Mongolia at the present level. We will seek to raise these required funds through deputation meetings, publishing 3 project leaflets annually, 'Project Response form' that accompanies the bi-monthly mail out and credit card/on-line giving.
- To increase Leadership Support and the awareness of sponsorship as we approach our 75th anniversary.
- The five-year plan for funding 25 students in Almaty Bible Institute and TWR's programme '*Power in Percussion*' has been completed. An extension with an annual review has been established.
- Plans are in place to provide funding for a reprint of the New Testament, including Psalms and Proverbs in Macedonian.
- To expand the Central Asian Bible project to include publications in other languages.
- The Mission's involvement in camp ministry in Eastern Europe and Central Asia is expanding. It is our desire to develop this ministry.

Publicity:

- Consideration has been given to WhatsApp Broadcasts and Podcasts to help update and inform about SGAs' ministries.
- To grow the awareness of the Phoebe ministry across UK and Ireland. It is our desire to develop this ministry and have more events to share about this work.
- To develop UK based ministry by adding more Regional Representatives to the staff.

Strategies

All projects were funded by donations from churches and individuals throughout United Kingdom and Ireland.

During the year the charity published three project leaflets, and six 'Response Cards' which accompanied the bi-monthly mail out. They also promoted on-line giving, standing orders and credit card donations. Income from legacies and trusts also provided substantial finance. SGA claimed Gift Aid, where appropriate, which significantly increased income.

All the goals set for projects in Central/Eastern Europe, Central Asia, Far East Russia and Mongolia have been fulfilled through deputation, mail-outs and sponsorship.

The role of volunteers

The Trustees are very grateful to the many volunteers across the UK who give their time and energy to help Slavic Gospel Association and our partners. Volunteers help occasionally at the office in preparing the bi-monthly mail-out. In addition to this we have volunteers who plan itineraries for staff. The Phoebe Representatives operate in a voluntary capacity.

Activities for the public benefit

The objectives and activities undertaken by the charity are set with benefit to the public in mind. It has always been the desire of the charity from its inception, to show compassion to the needy and have a caring attitude toward the helpless.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Risk Management

The principle financial risk for SGA is of receiving insufficient regular income to pay grants to its partners in Eastern Europe, Central Asia, Far East Russia and Mongolia. SGA limits this risk by regular communication with donors and actively seeking new donors in particular churches and trust funds.

Trustees are aware of other financial risks including possible fraud and have systems in place to mitigate major risks. Cash is handled in both received and distributed gifts. Fraud is countered by two signatories on receipts for all transactions being kept and checked against planned expenditure. Recipients of gifts are known to SGA.

The Trustees also regularly review other operational risks to which the company is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks, which are identified as:

- Loss of key staff: Each member of our small staff performs a significant role. Good staff relations and a sense of Divine calling has led to an excellent retention record.
- Safety: Staff are briefed on personal safety precautions to be taken while abroad.

SGA continues to develop policies and procedures to manage risk and ensure effectiveness, probity and legal and regulatory compliance.

Project Fund Administration

There will be no administration charge deducted from funds that are allocated for special projects [PFA]. All financial gifts for projects, mission schools, leadership support will be sent in their totality.

Key Performance Indicators

There are several measures in place to assess the impact that the charity's activities are having on the Field.

- All recipients are held accountable to the Trustees of Slavic Gospel Association for the funds, resources, aid or training they have received and are expected to produce regular reports of their activities and use of any funding.
- In addition, regular visits are made to those partners in receipt of regular funding; occasional visits are made to all other partners in receipt of significant funding or other help to gather and collate information on progress and impact.
- Test, examination and assignment results help monitor the progress of Mission School students. The performance of graduates is monitored by Mission School directors and local church leadership.
- Regular reports from participants funded under Leadership Support help the charity to measure their performance. Also, each person is required to participate in regular financial reviews of their income.
- Beneficiaries from transportation funds are monitored on a regular basis.
- The impact of the charity's Crisis Response ministry is both measured by regular reports and meetings during ministry trips by SGA staff. All partners understand that the grants, training or gifts in kind that they receive are in pursuit of the Charity's objectives and are for the benefit of the community they serve.

Asset cover for funds

Note 22 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.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Financial review

The financial result for the year shows a deficit of £153,434 (2022: surplus of £509,696).

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained for the following reasons.

[a] to provide funds which can be designated to specific projects to enable these projects to be undertaken at short notice and
[b] to cover administration, fund-raising and support costs without which the charity could not function.

The trustees consider it prudent that designated reserves should be sufficient:

[a] to avoid the necessity of realising fixed assets held for the charity's use;

[b] to cover one year's administration fund-raising and support costs;

[c] to provide a pool equal to 10% of the average charitable expenditure over the preceding two years from which funds can be designated to specific projects.

The Board of Directors, which meets three times per year, administers the Charity and by this means monitors and ensures that there is sufficient funding to give working capital for the forthcoming period. Occasionally a sub-committee may be appointed by the Board of Trustees to complete a particular task and report back to the Board. The Trustees review their strategy and consider how best to use the surplus free reserves.

Of the £2,199,534 of unrestricted funds held at the year end, the trustees anticipate that these will be used for increased funding for current projects and planned ministry expansion during 2024/25 and UK based ministry development.

However, the directors are aware of the need to have large sums readily available sometimes for emergency relief and other charitable purposes.

Reserves policy

Trustees keep under review the need for free reserves which are those unrestricted funds not invested in tangible fixed assets or designated for a specific purpose. Currently, to allow SGA to be managed efficiently and to provide a buffer for adverse contingencies, the Trustees' policy is that such reserves should be maintained at a level of between three and six months expenditure. The level of reserves required to be maintained is around £336,000. This amount excludes the value of all assets as disposing of them could exceed six months.

The Trustees review the major risks that the Charity faces and believe that maintaining the reserves at the level stated will enable the Charity to meet its short-term commitments in the event of adverse conditions.

Investment policy

The Board of Slavic Gospel Association has ruled that the preferred option of the charity is to invest funds in the many urgent needs presented on the Field rather than investment managed funds in the UK. This will be reviewed should surplus funds become available.

All staff salaries are based on market value and are not performance related.

Data Protection

In view of data protection regulations, the Trustees have agreed a policy. This policy is available on the Charity's website.

Safeguarding Vulnerable Groups

The Trustees have agreed a policy that outlines the Charity's guidelines and precautions in relation to vulnerable groups who are being provided for or receiving care through funding from SGA.

Structure, governance and management

The company is a company limited by guarantee, company number 00945991, and charity registration number 258253. The flysheet to the accounts gives details of the charity's principal addresses and those of other relevant organisations.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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

Dr F A levins

Mr S R West

Rev R W Trainer

Rev J A Knox

Mr E Macdonald

Mr C J K Smith

Rev W F McCurrie

Mr D F Harvey

Recruitment and appointment of trustees

The directors are the Council Members to whom the overall responsibility of managing and running the Charity is entrusted. However, the General Director is responsible for implementing the vision and strategy agreed by Trustees and the day to day running of the organisation. As a co-opted member of the Council, he reports back at Trustees' meetings. All major policy decisions and those concerning capital expenditure are ratified by the Council who meet every four months with occasional online strategy meetings as required.

The Council Members are encouraged to propose names of possible future members, considering their:

- skills, knowledge and experience
- location and availability

Informal meetings followed by formal meetings are held with potential members, leading to a decision by Council as to whether such persons are invited to serve. These procedures are accompanied by furnishing the candidate with the History and Aims of SGA, the Doctrinal Statement and the Responsibilities of a Council Member.

A new Council Member is encouraged to undertake further training related to his particular role in the Association.

The company has sister organisations in Australia, Canada, New Zealand and the USA.

Remuneration policy

Trustees are not paid for their service in this role other than expenses and none had any financial beneficial interest in the company. A register of Trustees' interests is held to ensure that there are no conflicts of interest and this is updated annually. The directors act as Trustees of the Charity.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Statement of trustees' responsibilities

The trustees, who are also the directors of Slavic Gospel Association (British Section) Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law 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, including the income and expenditure, of the charitable company for that year.

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 UK 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 operation.

The trustees are responsible for keeping adequate 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 Companies Act 2006. They 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.

Auditor

In accordance with the company's articles, a resolution proposing that James Todd & Co Limited be reappointed as auditor of the company will be put at a General Meeting.

The trustees' report was approved by the Board of Trustees.

Rev W F McCurrie

Trustee

5 June 2024

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

Opinion

We have audited the financial statements of Slavic Gospel Association (British Section) Limited (the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Michelle Buzzard FCA (Senior Statutory Auditor)

On behalf of James Todd & Co Limited

Chartered Accountants

Statutory Auditor

7 June 2024

James Todd & Co Limited

Drayton House

Drayton Lane

Chichester

West Sussex

England

PO20 2EW

James Todd & Co Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

		Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Total 2023 £	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Total 2022 £
	Notes						
Income and endowments from:							
Donations and legacies	3	731,015	758,766	1,489,781	861,990	1,848,159	2,710,149
Other trading activities	4	18,646	-	18,646	12,615	-	12,615
Investments	5	42,092	-	42,092	8,064	-	8,064
Other income	6	1,427	-	1,427	-	-	-
Total income		793,180	758,766	1,551,946	882,669	1,848,159	2,730,828
Expenditure on:							
Raising funds	7	75,163	-	75,163	75,655	-	75,655
Charitable activities	8	490,362	1,160,111	1,650,473	403,993	1,691,502	2,095,495
Total expenditure		565,525	1,160,111	1,725,636	479,648	1,691,502	2,171,150
Net gains/(losses) on investments	14	5,529	-	5,529	(49,982)	-	(49,982)
Net income/(expenditure)		233,184	(401,345)	(168,161)	353,039	156,657	509,696
Transfers between funds		(140,562)	140,562	-	(307,852)	307,852	-
Other recognised gains and losses:							
Other gains/(losses)	16	(952)	563	(389)	1,836	(78)	1,758
Net movement in funds	11	91,670	(260,220)	(168,550)	47,023	464,431	511,454
Reconciliation of funds:							
Fund balances at 1 January 2023		628,666	1,724,691	2,353,357	581,643	1,260,260	1,841,903
Fund balances at 31 December 2023		720,336	1,464,471	2,184,807	628,666	1,724,691	2,353,357

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	17		151,168		160,889
Investments	18		155,547		150,018
			<u>306,715</u>		<u>310,907</u>
Current assets					
Stocks	19	15,071		8,670	
Debtors	20	52,687		113,597	
Cash at bank and in hand		1,829,410		1,936,483	
		<u>1,897,168</u>		<u>2,058,750</u>	
Creditors: amounts falling due within one year	21	<u>(19,076)</u>		<u>(16,300)</u>	
Net current assets			<u>1,878,092</u>		<u>2,042,450</u>
Total assets less current liabilities			<u>2,184,807</u>		<u>2,353,357</u>
Net assets excluding pension liability			<u>2,184,807</u>		<u>2,353,357</u>
			<u><u>2,184,807</u></u>		<u><u>2,353,357</u></u>
The funds of the charity					
Unrestricted funds - general			720,336		628,666
Unrestricted funds - designated	23		1,464,471		1,724,691
			<u>2,184,807</u>		<u>2,353,357</u>
			<u><u>2,184,807</u></u>		<u><u>2,353,357</u></u>

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 2023, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, 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 trustees on 5 June 2024

Mr C J K Smith
Trustee

Rev W F McCurrie
Trustee

Company registration number 00945991 (England and Wales)

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	26		(152,165)		601,286
Investing activities					
Purchase of tangible fixed assets		-		(20,500)	
Proceeds from disposal of tangible fixed assets		3,000		-	
Purchase of investments		-		(200,000)	
Investment income received		42,092		8,064	
Net cash generated from/(used in) investing activities			45,092		(212,436)
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(107,073)		388,850
Cash and cash equivalents at beginning of year			1,936,483		1,547,633
Cash and cash equivalents at end of year			1,829,410		1,936,483

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

Slavic Gospel Association (British Section) Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 22 Little Church Street, Rugby, Warwickshire, CV21 3AW, England.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

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

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

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity 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 charity's income consists of voluntary income, income from charitable activities and investment income.

The charity is not registered for VAT.

Cash donations are recognised on receipt. Other donations are recognised once the charity 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 recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Fundraising and trading income consists of monies generated from the sale of books, CD's and cards, as well as registration fees from delegates at the Charity's annual supporters conference. This is also recognised as income, when it is received.

Investment income is wholly bank and stock interest generated and is recognised in the SOFA when receivable.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.5 Expenditure

All expenditure is incurred in pursuit of the Charity's objects as laid down in the Memorandum and Articles of Association and is recognised in the accounts when payable.

The Charity's accounting system is designed to trace general fund expenditure and distinguish it from that directly attributable to a project. All expenditure incurred on designated funds (see analysis at note 8) is treated as direct charitable expenditure for charitable activities.

General fund expenditure is allocated to 5 broad headings of Administration, Promotions, Council Expenses, Eastern European Field and UK Home.

Administrative expenditure is treated as support costs for charitable expenditure whilst promotions costs are shown as costs of generating voluntary income as these relate to the production of promotional material.

Council expenses are the costs of holding regular council meetings, including reimbursing travelling expenses of the council members, and these are included as governance costs. Governance costs also include fees of the auditors to meet external scrutiny requirements.

Eastern European Field expenditure is treated as activities undertaken directly for charitable activities.

UK Home expenditure is split between costs of generating voluntary income and activities undertaken directly for charitable activities as it includes the costs of representatives who also make trips to Eastern Europe.

1.6 Tangible fixed assets

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

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

Freehold land and buildings	Straight line over 50 years
Fixtures and fittings	15% Reducing balance
Computers	25% Reducing balance
Motor vehicles	20% Reducing balance

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 the statement of financial activities.

During 2020, it was deemed appropriate that land be depreciated at 0%. 25% of the land and buildings value has been appropriated to land and the cumulative effect of historic depreciation has been reversed. This is considered as a change of estimate, being a change in depreciation rate.

Tangible fixed assets are capitalised if they can be used for more than 1 year, and cost at least £1,000.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.8 Impairment of fixed assets

At each reporting end date, the charity 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 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

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 charity 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 charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

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

Basic financial assets

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

Basic financial liabilities

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

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

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

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

Derecognition of financial liabilities

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

1.12 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 charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Foreign exchange

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

1.15 Loans issued

Loans are occasionally issued to supported projects in Eastern Europe. These funds are repayable over a set term and no interest is charged. The amounts recoverable are included as receivables in the accounts.

If in the future the Trustees decide not to request repayment of these amounts, they will be written off as grants paid under Direct Charitable Activities.

2 Critical accounting estimates and judgements

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

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

3 Income from donations and legacies

	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Total 2023 £	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Total 2022 £
Donations and gifts	670,971	758,766	1,429,737	670,031	1,848,159	2,518,190
Legacies receivable	60,044	-	60,044	191,959	-	191,959
	<u>731,015</u>	<u>758,766</u>	<u>1,489,781</u>	<u>861,990</u>	<u>1,848,159</u>	<u>2,710,149</u>

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

3 Income from donations and legacies (Continued)

	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Total 2023 £	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Total 2022 £
Donations and gifts						
Donations and gifts	397,632	599,355	996,987	423,475	1,574,312	1,997,787
Donations from trusts	77,310	62,741	140,051	78,995	78,000	156,995
Gift aid recovered	32,275	64,613	96,888	37,320	106,385	143,705
Conference offerings	66,173	8,794	74,967	53,905	18,029	71,934
Donations to fulltime staff	95,854	23,193	119,047	74,117	71,074	145,191
Donations to voluntary representatives	530	70	600	1,140	150	1,290
Other	1,197	-	1,197	1,079	209	1,288
	<u>670,971</u>	<u>758,766</u>	<u>1,429,737</u>	<u>670,031</u>	<u>1,848,159</u>	<u>2,518,190</u>

Legacies which are expected, but which do not meet the recognition criteria for Legacies Receivable are considered as contingent assets. As these amounts generally cannot be valued with reasonable certainty, these are not separately disclosed.

4 Income from other trading activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Sale of books, CDs and cassettes	<u>18,646</u>	<u>12,615</u>

5 Income from investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Interest receivable	<u>42,092</u>	<u>8,064</u>

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

6 Other income

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Net gain on disposal of tangible fixed assets	1,427	-

7 Activities for generating funds

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Costs of generating voluntary income		
Conference expenses	51,843	31,168
Advertising	19,975	18,072
Support costs	-	21,787
	<u>71,818</u>	<u>71,027</u>
Cost of goods sold		
Other trading activities	3,345	4,628
	<u>75,163</u>	<u>75,655</u>

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

8 Expenditure on charitable activities

	Spreading the Gospel in Eastern Europe 2023 £	Spreading the Gospel in Eastern Europe 2022 £
Direct costs		
Direct costs	1,160,109	1,691,501
Telephone	1,010	737
Motor	1,803	3,110
	<u>1,162,922</u>	<u>1,695,348</u>
Grant funding of activities (see note 9)	15,158	-
Share of support and governance costs (see note 10)		
Support	456,558	386,815
Governance	15,835	13,332
	<u>1,650,473</u>	<u>2,095,495</u>
Analysis by fund		
Unrestricted funds - general	490,362	403,993
Unrestricted funds - designated	1,160,111	1,691,502
	<u>1,650,473</u>	<u>2,095,495</u>

9 Grants payable

	Spreading the Gospel in Eastern Europe 2023 £
Grants to institutions:	
Kovin Baptist Church	1,200
Bread of Life Tekeris Camp	13,958
	<u>15,158</u>

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

10 Support costs allocated to activities

	2023	2022
	£	£
Staff costs	371,432	325,679
Depreciation	8,147	6,428
Direct costs	3,775	5,851
Rent and rates	1,350	977
Insurance	2,963	2,636
Light and heat	1,865	1,938
Repairs and maintenance	1,853	20
Telephone	1,914	1,951
Printing, postage, stationery and computer costs	31,279	28,743
Motor and travel	18,423	21,700
Sundry	13,557	12,679
Governance costs	15,835	13,332
	<u>472,393</u>	<u>421,934</u>

Analysed between:

Fundraising	-	21,787
Spreading the Gospel in Eastern Europe	472,393	400,147
	<u>472,393</u>	<u>421,934</u>

	2023	2022
	£	£
Governance costs comprise:		
Audit fees	9,690	7,488
Accountancy	5,794	5,200
Legal and professional	221	-
Trustee's meeting costs	130	644
	<u>15,835</u>	<u>13,332</u>

11 Net movement in funds

	2023	2022
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	9,690	7,488
Depreciation of owned tangible fixed assets	8,147	6,428
Profit on disposal of tangible fixed assets	(1,427)	-
	<u>16,410</u>	<u>13,916</u>

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

12 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, and during the year 2 trustees were reimbursed for expenses totalling £1,165 (2022 - 3 trustees were reimbursed for expenses totalling £10,270) to cover travelling expenses and purchase of flowers incurred on charity business.

Total donations received from directors, key management personnel and their related parties, amounted to £38,210 (2022: £74,471). No related parties made purchases of things like books (2022: 2 related parties made purchases totalling £228).

There are no other related party transactions requiring disclosure.

The charity was under the control of the directors throughout the year

13 Employees

The average monthly number of employees during the year was:

	2023	2022
	Number	Number
Mission team members/field workers	7	7
Administration and promotion	4	3
	<hr/>	<hr/>
Total	11	10
	<hr/> <hr/>	<hr/> <hr/>

Employment costs	2023	2022
	£	£
Wages and salaries	308,021	271,654
Social security costs	29,381	24,684
Other pension costs	34,030	29,341
	<hr/>	<hr/>
	371,432	325,679
	<hr/> <hr/>	<hr/> <hr/>

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

Remuneration of key management personnel

	2023	2022
	£	£
Key management personnel remuneration for the year	71,875	36,242
	<hr/> <hr/>	<hr/> <hr/>

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

14 Gains and losses on investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Gains/(losses) arising on:		
Revaluation of investments	5,529	(49,982)

15 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

16 Other gains and losses

	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Total 2023 £	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Total 2022 £
Gains/(losses) upon:						
Foreign exchange	952	(563)	389	(1,836)	78	(1,758)

17 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
Cost					
At 1 January 2023	151,498	48,797	7,182	89,263	296,740
Disposals	-	(48,797)	-	(14,995)	(63,792)
At 31 December 2023	151,498	-	7,182	74,268	232,948
Depreciation and impairment					
At 1 January 2023	20,452	48,378	4,794	62,228	135,852
Depreciation charged in the year	2,272	63	597	5,215	8,147
Eliminated in respect of disposals	-	(48,441)	-	(13,778)	(62,219)
At 31 December 2023	22,724	-	5,391	53,665	81,780
Carrying amount					
At 31 December 2023	128,774	-	1,791	20,603	151,168
At 31 December 2022	131,047	419	2,388	27,035	160,889

All tangible fixed assets are for charitable use, other than a small quantity of office equipment used in administration.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

18 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2023	150,018
Valuation changes	5,529
	<u> </u>
At 31 December 2023	155,547
	<u> </u>
Carrying amount	
At 31 December 2023	155,547
	<u> </u>
At 31 December 2022	150,018
	<u> </u>

19 Stocks

	2023 £	2022 £
Finished goods and goods for resale	15,071	8,670
	<u> </u>	<u> </u>

20 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	826	56,841
Other debtors	23,488	16,891
Prepayments and accrued income	14,686	6,141
	<u> </u>	<u> </u>
	39,000	79,873
	<u> </u>	<u> </u>
	2023	2022
Amounts falling due after more than one year:	£	£
Other debtors	13,687	33,724
	<u> </u>	<u> </u>
Total debtors	52,687	113,597
	<u> </u>	<u> </u>

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

21 Creditors: amounts falling due within one year

	2023	2022
	£	£
Other taxation and social security	-	1,984
Trade creditors	-	3,426
Accruals and deferred income	19,076	10,890
	<u>19,076</u>	<u>16,300</u>

22 Retirement benefit schemes

	2023	2022
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	34,030	29,341
	<u>34,030</u>	<u>29,341</u>

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

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

23 Unrestricted funds - designated

These are unrestricted funds which are material to the charity's activities.

	At 1 January 2023	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 December 2023
	£	£	£	£	£	£
Support of East European Ministries	38,518	29,535	(62,604)	3,925	(51)	9,323
Support of Mission Schools	26,008	8,573	(54,622)	10,000	226	(9,815)
East European Leadership Support	281,093	233,752	(405,774)	15,000	(18)	124,053
Phoebe Projects	11,533	27,017	(65,500)	31,637	3	4,690
Literature Ministries	17,870	23,064	(75,973)	25,000	(29)	(10,068)
Radio Ministries	48,133	12,406	(43,883)	-	(265)	16,391
Vehicles for Eastern Europe	14,895	12,477	(20,110)	15,000	-	22,262
Widows Project	10,700	68,054	(72,025)	25,000	(104)	31,625
Special Projects	770,762	343,888	(359,620)	15,000	801	770,831
Media/Website	10,080	-	-	-	-	10,080
Loans Issued	150,000	-	-	-	-	150,000
Emergency Fund	184,210	-	-	-	-	184,210
Tangible fixed assets	160,889	-	-	-	-	160,889
	<u>1,724,691</u>	<u>758,766</u>	<u>(1,160,111)</u>	<u>140,562</u>	<u>563</u>	<u>1,464,471</u>

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

23 Unrestricted funds - designated (Continued)

Previous year:	At 1 January 2022	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 December 2022
	£	£	£	£	£	£
Support of East European Ministries	51,945	15,573	(28,922)	-	(78)	38,518
Support of Mission Schools	18,136	12,443	(26,712)	22,141	-	26,008
East European Leadership Support	326,928	244,797	(375,290)	84,658	-	281,093
Phoebe Projects	6,438	18,900	(30,523)	16,718	-	11,533
Literature Ministries	10,952	20,573	(29,436)	15,781	-	17,870
Radio Ministries	35,999	19,554	(17,420)	10,000	-	48,133
Vehicles for Eastern Europe	18,604	1,094	(4,803)	-	-	14,895
Widows Project	-	38,470	(62,316)	34,546	-	10,700
Special Projects	338,677	1,476,755	(1,116,080)	71,410	-	770,762
Media/Website	10,080	-	-	-	-	10,080
Loans Issued	150,000	-	-	-	-	150,000
Emergency Fund	145,684	-	-	38,526	-	184,210
Tangible fixed assets	146,817	-	-	14,072	-	160,889
	<u>1,260,260</u>	<u>1,848,159</u>	<u>(1,691,502)</u>	<u>307,852</u>	<u>(78)</u>	<u>1,724,691</u>

The Project Fund payments as shown in this note include monthly contributions to General Funds for management and administration costs directly attributable to the work. These are provided at a maximum of 15% (9% admin. plus 6% publicity) on all gifts. The total transferred in this way is shown in notes 7 and 9 above.

Transfers between the project and emergency funds represent monies which have been utilised from General funds to cover the work carried out towards these individual projects.

Each of the items listed above represents an area of activities that the charity supports within Eastern Europe. Together these funds for the "Project Funds" which the charity operates. These are as a result of donations given for use towards a particular project, but for which the charity retains ultimate discretion as to its application. The transfers into these funds represent monies from General Funds to cover deficits on individual funds, as well as additional monies set aside by the trustees for use towards these projects.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

23 Unrestricted funds - designated

(Continued)

In order to increase the accuracy of the presentation of the financial status shown in the accounts, it has been decided by the Trustees to designate funds to the value of the tangible fixed assets. This is to reflect the restrictions that the assets impose upon the funds held; the money tied up in the property is not free to be spent without the assets being sold to realise these funds.

Monies have also been designated to retain sufficient funds to meet the charity's obligations should further funds not become available. The justification of this amount is as follows:

- To avoid the necessity of realising fixed assets held for the charity's use (see details above);
- To cover one year's administration, fund-raising and support costs;
- To provide a pool equal to 10% of the average charitable expenditure over the preceding two years from which the funds can be designated to specific projects.

Transfers to/from the Fixed asset fund represent the net movements on the tangible fixed assets during the year.

24 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2023	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 December 2023
	£	£	£	£	£	£
General funds	628,666	793,180	(565,525)	(140,562)	4,577	720,336
	<u>628,666</u>	<u>793,180</u>	<u>(565,525)</u>	<u>(140,562)</u>	<u>4,577</u>	<u>720,336</u>
Previous year:	At 1 January 2022	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 December 2022
	£	£	£	£	£	£
General funds	581,643	882,669	(479,648)	(307,852)	(48,146)	628,666
	<u>581,643</u>	<u>882,669</u>	<u>(479,648)</u>	<u>(307,852)</u>	<u>(48,146)</u>	<u>628,666</u>

25 Analysis of net assets between funds

	Unrestricted funds general 2023	Unrestricted funds designated 2023	Total 2023
	£	£	£
Fund balances at 31 December 2023 are represented by:			
Tangible assets	(356)	151,524	151,168
Investments	155,547	-	155,547
Current assets/(liabilities)	565,145	1,312,947	1,878,092
	<u>720,336</u>	<u>1,464,471</u>	<u>2,184,807</u>

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

25 Analysis of net assets between funds (Continued)

	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Total 2022 £
Fund balances at 31 December 2022 are represented by:			
Tangible assets	-	160,889	160,889
Investments	150,018	-	150,018
Current assets/(liabilities)	478,648	1,563,802	2,042,450
	628,666	1,724,691	2,353,357
	628,666	1,724,691	2,353,357

26 Cash generated from operations	2023 £	2022 £
(Deficit)/surplus for the year	(168,161)	509,696
Adjustments for:		
Investment income recognised in statement of financial activities	(42,092)	(8,064)
Foreign exchange differences	(389)	1,758
Gain on disposal of tangible fixed assets	(1,426)	-
Fair value gains and losses on investments	(5,529)	49,982
Depreciation and impairment of tangible fixed assets	8,147	6,428
Movements in working capital:		
(Increase) in stocks	(6,401)	(2,666)
Decrease in debtors	60,910	40,277
Increase in creditors	2,776	3,875
Cash (absorbed by)/generated from operations	(152,165)	601,286

27 Analysis of changes in net funds

The charity had no material debt during the year.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

England & Wales - Charity number 258253

Accounts

Charity registration number 258253

Company registration number 00945991 (England and Wales)

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

SLAVIC GOSPEL ASSOCIATION

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

Plummer Parsons 

CHARTERED ACCOUNTANTS & STATUTORY AUDITOR

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Rev W F McCurrie Mr D Harvey Mr C J K Smith Mr E Macdonald Mr J A Knox Mr R W Trainer Mr S R West Dr F A Ievins	(Appointed 1 October 2022) (Appointed 1 October 2022)
Secretary	Rev W F McCurrie	
Charity number	258253	
Company number	00945991	
Principal address	22 Little Church Street Rugby Warwickshire CV21 3AW	
Registered office	22 Little Church Street Rugby Warwickshire CV21 3AW	
Auditor	Plummer Parsons 18 Hyde Gardens Eastbourne East Sussex BN21 4PT	
Bankers	Barclays Bank PLC North Street Rugby Warwickshire CV21 2AH	

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

SLAVIC GOSPEL ASSOCIATION

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SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees present their annual report and financial statements for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the 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 objects of SGA are to assist the Church in Central and Eastern Europe, Central Asia and Far East Russia to become fully equipped to fulfil the great Commission of Jesus Christ, particularly among its own peoples by training workers, sponsoring leaders, providing Christian literature and distributing aid.

The means adopted in order to accomplish the objects of the charity are summed up in the purpose statement – To serve Christ and His Church.

The charity believes that the most effective way for the Mission to achieve its objectives is to find and support local churches and individuals who have a vision to make Jesus and the love of God known through their words and actions. Therefore, the charity makes grants, provides teaching, training, gifts in kind and other resources to churches, individuals, and organisations through their four core ministries:

1. Biblical Leadership Training which prepares the indigenous church for Christian service through our Mission Schools. Over the years, leadership training, theological studies, and other educational training has been offered to students in Poland, Slovakia, Hungary, Serbia, Bulgaria, Romania, Moldova, Ukraine, and Central Asia. Gifted Christian workers recommended by the local churches are given the opportunity to undertake a course of study to equip them for a lifetime of Christian service which brings maximum benefits to the public.

Students in Balti Mission School, Moldova, and Almaty Bible Institute, Kazakhstan receive grants.

International Correspondence Bible School in Central Asia offers Christian education by extension mainly to Kazakhstan and Tajikistan.

2. Leadership Support includes providing funds for pioneering churches and groups in new areas, growing and developing existing churches. This offers practical and financial assistance to Christian leaders who cannot be supported by the small churches which they serve. If this support were not available some would be forced to leave their Christian ministry for work opportunities elsewhere. Also, supporting other church projects that include making grants towards the purchase or building of public places of worship and providing transportation for evangelists and pastors, is helping to advance the Gospel.

3. Christian Literature provides resources such as Bibles and other literature which is helpful in understanding Biblical truth.

4. Crisis Response includes relief of poverty, medical assistance, drug and alcohol rehabilitation, food aid, emergency aid, disaster relief and other programmes for the benefit of the community. This support helps our partners in showing God's love in these practical ways. SGA's Crisis Response ministry is of huge public benefit as the poor and needy, vulnerable and forsaken, forgotten and neglected are being provided for through many different means. Impoverished communities are receiving the necessities for survival and medical care at point of need. The public benefits are enormous and far reaching.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Activities for the public benefit

The trustees have paid due regard to the Charity Commission guidance regarding Public Benefit.

SGA is currently serving the local evangelical churches through its four areas of ministry: Biblical Leadership Training; Leadership Support; Christian Literature; Crisis Response; the purpose being to enable the churches to best serve their own society and offer aid where possible.

In all our projects and ministries, the public benefit of individuals, families or communities is paramount. It has always been the desire of the charity from its inception to show compassion to the needy and have a caring attitude toward the helpless.

Grant making policy

Grant making is always in response to requests from church leaders in Eastern Europe, Central Asia, Far East Russia and Mongolia, or a need observed by staff while on Field trips. Grants are only made to known partners and those recommended by long standing and trusted sources. Trustees have delegated responsibility for grant making from funds to the General Director for grants up to £10,000 from General Funds and £20,000 from Designated Funds. Amounts in excess of this must be approved by the Board of Directors.

We recognise the need to take steps to prevent the use of grants for money laundering, terrorist activity, bribery and for purposes other than those for which they were given. To this end Trustees hold SGA's partners accountable for the funds, resources, aid or training they have received and require them to produce regular reports of their activities and use of funding. In addition, SGA staff members visit partners who receive funding or other help from SGA.

All our partners understand that the grants, training, or gifts in kind are to be used for the benefit of the community they serve and are to be freely available to all sections of the community.

The role of volunteers

The Trustees are very grateful to the many volunteers across the UK who give their time and energy to help Slavic Gospel Association and our partners. Volunteers help occasionally at the office in preparing the bi-monthly mail-out. In addition to this we have volunteers who plan itineraries for staff. The Phoebe Representatives operate in a voluntary capacity.

Achievements and performance

The past year has been one of significant achievements both in the UK and through our partners. Following two years of disruptions due to Covid-19, deputation and event opportunities have not only returned to pre-covid activity but have increased owing to the huge interest created around the war in Ukraine.

SGA ministry continues to expand on the Field. With our partners, the Mission commenced ministry in Mongolia. Already funding has been made available for summer camps, two Hope Centres, translation of a children's Bible in Mongolian and radio ministry.

Just a few specific examples of this work include:

Ukraine Emergency Funding

The war in Ukraine presented the Mission with an unprecedented situation. With an unparalleled response from Trusts, churches and individuals, SGA was able to provide for many relief efforts. SGA was among the first Christian mission to supply aid, support churches in housing refugees, and send help to communities and people in the fiercest heat of the war. The following were included in SGA's response.

Food and accommodation – Finance was provided to transport desperately needed food supplies into Ukraine from neighbouring countries, and to enable churches in neighbouring countries to provide food and accommodation for refugees fleeing across the borders.

- Widows – thousands of widows including those bereft of loved ones in the war have received support through the local churches.
- Orphans – through SGA funding, 'family-type orphanages' have been established where families accommodate war orphans. The children from SGA sponsored, Grace Shelter, were forced to relocate to Germany where SGA continued to support them. They have now returned to the shelter in Odessa.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

- Medical Care – support for medical teams continued and increased so that civilian casualties of the war could receive emergency treatment.
- Generators – with infrastructure seriously damaged, churches have become centres of *Help and Hope* where devastated people can come together.
- Food boxes – these were prepared in a literature factory in west Ukraine and distributed across the country. These boxes feed a small family for one week.
- Bibles- strong financial support was directed to getting God's Word into the hands of suffering, war-weary, and often hopeless Ukrainian adults and children.

SGA has informed its supporters that our involvement in Ukraine is for the 'long haul'. In consultation with Ukrainian church leaders, it was agreed that funds should be reserved for the following needs.

- Continued relief for refugees £150,000
- Caring for widows and families £40,000
- Post-trauma treatment £20,000
- Grace Shelter & Transition House £30,000
- Rebuilding Houses of prayer £80,000
- Printing of Bible Sets £125,000
- Resettling SGA's ministry partners £70,000
- Replacing vehicles £40,000
- Reopening Odessa seminary £30,000

It was the desire of the Board of Directors to be able to continue the support of our current number of national Gospel workers and fund all our ongoing projects on the Field at the present level.

Through our partners we have also continued to support children's work and orphanages; Joy of Christmas programme; displaced people; widows; summer camps; Project 1-10; Hope Centres etc.

Training Workers

Two new mission schools opened in the autumn – one in Romania and the other in Serbia. These teaching centres run in partnership with local churches.

The Mission has been able to continue funding for Emanuel University, Oradea, Romania; Odessa Seminary, Ukraine and Almaty Bible Institute, Kazakhstan.

Supporting Leaders

This project includes financial support for missionary families, funding for Houses of Prayer and provision for transportation.

There are approx. 190 SGA sponsored missionary pastors across Eastern Europe, Central Asia and Far East Russia. With new requests for funding, this number continues to grow. Added to this, the Mission undertook to financially support 228 key Christian workers for a set period in Ukraine whose ministries were threatened by the conflict.

Additional cost of living payments [£38,600] was made available for our missionary pastors across Eastern Europe, Central Asia, and Far East Russia.

A Pastors' Retreat was financed for those who were displaced and suffering due to the war.

Church Buildings - Funds were provided for three *Houses of Prayer* in Poland while one also received an interest free loan. Two church buildings were also helped in Ukraine.

Transportation - A second-hand vehicle was funded for a Project70 missionary in Far East Russia while a minibus was provided for a missionary in east Ukraine. Another partner in Poland received funding to exchange his old second-hand car.

Aviation in Far East Russia received substantial funds.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Christian Literature

Translation of *'The Word Became flesh: How to Preach from the Old Testament narrative Texts'* by Dale Ralph Davis was financed in Romanian.

'Bibles for the Nations' is a special project run in conjunction with *Bible Mission*, Germany. During this year we relaunched our Bible project to print the Bible in Russian for Central Asia as it is a common language.

Distributing Aid

Widows' Project which provides finance for heating, medical needs, food and clothing in Poland, Serbia, Macedonia, Bulgaria, Romania, Moldova, Ukraine and Central Asia increased during 2022.

Funding for Humanitarian Aid was allocated for poor families in Far East Russia.

Phoebe Projects

The following ministries received funding.

- Ministry in Central Asia received funding for a shelter for vulnerable mothers and children, a children's disabled centre and a missionary to Muslim women.
- Two missionaries who evangelize children are supported - Marina Tsapcova [Russia] and Bohuslava Havrilova [Slovakia].
- Emanuel Hospice, Oradea, Romania along with Casa Filip, Cluj, Romania received substantial funds. Both of these facilities offer care to the terminally ill.
- Grace Shelter, Ukraine and Bread of Life, Serbia, both offering care for the vulnerable, were recipients of funding.

Radios/uploaded SD cards

Funding was provided for Trans World Radio sponsored programmes in Central Asia and Mongolia.

Children's Ministry

Funds were provided for children's ministry in Far East Russia and camps in Mongolia, Central Asia, and Poland.

Strategies

All projects were funded by donations from churches and individuals throughout United Kingdom and Ireland. Deputation meetings began to pick up, especially during the latter part of the year.

During the year the charity published three project leaflets, and six 'Response Cards' which accompanied the bi-monthly mail out. They also promoted on-line giving, standing orders and credit card donations. Income from legacies and trusts also provided substantial finance. SGA claimed Gift Aid, where appropriate, which significantly increased income.

All the goals set for projects in Central/Eastern Europe, Central Asia and Far East Russia have been fulfilled through deputation, mail-outs and sponsorship.

Financial review

SGA's financial position on 31 December 2022 excelled any previous annual income. This was largely due to individuals and churches responding to the Ukraine War Crisis. However, the General Fund reflected a strong income with increases on 2021. An increased expenditure of approx. £660,000 was reflected in Project Expenditure. Again, this was largely due to substantial funds sent to Ukraine and bordering countries to help relieve suffering and hardship.

The financial result for the year shows a surplus of £509,696 (2021: deficit of £117,418), before changes in fixed asset valuations.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained for the following reasons.

[a] to provide funds which can be designated to specific projects to enable these projects to be undertaken at short notice and

[b] to cover administration, fund-raising and support costs without which the charity could not function.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees consider it prudent that designated reserves should be sufficient:

[a] to avoid the necessity of realising fixed assets held for the charity's use;

[b] to cover one year's administration fund-raising and support costs;

[c] to provide a pool equal to 10% of the average charitable expenditure over the preceding two years from which funds can be designated to specific projects.

The Board of Directors, which meets three times per year, administers the Charity and by this means monitors and ensures that there is sufficient funding to give working capital for the forthcoming period. Occasionally a sub-committee may be appointed by the Board of Trustees to complete a particular task and report back to the Board. The Trustees review their strategy and consider how best to use the surplus free reserves.

Of the £628,666 of unrestricted funds held at the year end, the trustees anticipate that these will be used for increased funding for current projects and planned ministry expansion during 2023/24.

However, the directors are aware of the need to have large sums readily available sometimes for emergency relief and other charitable purposes.

All staff salaries are based on market value and are not performance related.

Reserves policy

Trustees keep under review the need for free reserves which are those unrestricted funds not invested in tangible fixed assets or designated for a specific purpose. Currently, to allow SGA to be managed efficiently and to provide a buffer for adverse contingencies, the Trustees' policy is that such reserves should be maintained at a level of between three and six months expenditure. The level of reserves required to be maintained is at least £543,000. This amount excludes the value of all assets as disposing of them could exceed six months.

The Trustees review the major risks that the Charity faces and believe that maintaining the reserves at the level stated will enable the Charity to meet its short term commitments in the event of adverse conditions.

Risk Management

The principle financial risk for SGA is of receiving insufficient regular income to pay grants to its partners in Eastern Europe, Central Asia and Far East Russia. SGA limits this risk by regular communication with donors and actively seeking new donors in particular churches and trust funds.

Trustees are aware of other financial risks including possible fraud and have systems in place to mitigate major risks. Cash is handled in both received and distributed gifts. Fraud is countered by two signatories on receipts for all transactions being kept and checked against planned expenditure. Recipients of gifts are known to SGA.

The Trustees also regularly review other operational risks to which the company is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks, which are identified as:

- Loss of key staff: Each member of our small staff performs a significant role. Good staff relations and a sense of Divine calling has led to an excellent retention record.
- Safety: Staff are briefed on personal safety precautions to be taken while abroad.

SGA continues to develop policies and procedures to manage risk and ensure effectiveness, probity and legal and regulatory compliance.

Data Protection

In view of the new data protection regulations, the Trustees have agreed a revised policy. This policy is available on the Charity's website.

Safeguarding Vulnerable Groups

The Trustees have agreed a policy that outlines the Charity's guidelines and precautions in relation to vulnerable groups who are being provided for or receiving care through funding from SGA.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Project Fund Administration

There will be no administration charge deducted from funds that are allocated for special projects [PFA]. All financial gifts for projects, mission schools, leadership support will be sent in their totality.

Key Performance Indicators

There are several measures in place to assess the impact that the charity's activities are having in Eastern Europe, Central Asia and Far East Russia.

- All recipients are held accountable to the Trustees of Slavic Gospel Association for the funds, resources, aid or training they have received and are expected to produce regular reports of their activities and use of any funding.
- In addition, regular visits are made to those partners in receipt of regular funding; occasional visits are made to all other partners in receipt of significant funding or other help to gather and collate information on progress and impact.
- Test, examination and assignment results help monitor the progress of Mission School students. The performance of graduates is monitored by Mission School directors and local church leadership.
- Regular reports from participants funded under Leadership Support help the charity to measure their performance. Also, each person is required to participate in regular financial reviews of their income.
- Beneficiaries from transportation funds are monitored on a regular basis.
- The impact of the charity's Crisis Response ministry is both measured by regular reports and meetings during ministry trips by SGA staff.
- All partners understand that the grants, training or gifts in kind that they receive are in pursuit of the Charity's objectives and are for the benefit of the community they serve.

Investment policy

The Board of Slavic Gospel Association has ruled that the preferred option of the charity is to invest funds in the many urgent needs presented on the Field rather than investment managed funds in the UK. This will be reviewed should surplus funds become available.

Plans for future periods

Ministry developments:

- Constructive discussions have taken place with church leaders in Romania, Hungary and Bulgaria concerning future mission schools.
- Establishing ministry in Mongolia [previously covered].
- To be able to continue the support of our current number of sponsored missionary pastors and fund all our ongoing projects in Eastern Europe, Far East Russia and Central Asia at the present level. We will seek to raise these required funds through deputation meetings, publishing 3 project leaflets annually, 'Project Response form' that accompanies the bi-monthly mail out and credit card/on-line giving.
- The five-year plan for funding 25 students in Almaty Bible Institute and TWR's programme '*Power in Percussion*' has been completed. An extension with an annual review has been established.
- Plans are in place to provide funding for a reprint of Grudem's Systematic Theology in Romanian.
- The Mission's involvement in camp ministry in Eastern Europe and Central Asia is expanding. It is our desire to increase this ministry.

Publicity:

- Consideration has been given to WhatsApp Broadcasts and Podcasts to help update and inform about SGAs' ministries.
- The Phoebe Project is making good progress. It focuses on ladies' ministries or projects directed by ladies in Eastern Europe and Central Asia.
- Developing new regions across the UK so that more churches can be visited.

Structure, governance and management

The company is a company limited by guarantee, company number 00945991, and charity registration number 258253. The flysheet to the accounts gives details of the charity's principle addresses and those of other relevant organisations.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

The directors who served during the year are:

Rev W F McCurrie

Mr D Harvey

Mr R A Potts (Resigned 24 November 2022)

Mr C J K Smith

Mr E Macdonald

Mr J A Knox

Dr H J Waters (Resigned 30 June 2022)

Mr R W Trainer

Mr S R West (Appointed 1 October 2022)

Dr F A levins (Appointed 1 October 2022)

Trustees are not paid for their service in this role other than expenses and none had any financial beneficial interest in the company. A register of Trustees' interests is held to ensure that there are no conflicts of interest and this is updated annually. The directors act as Trustees of the Charity.

The directors are the Council Members to whom the overall responsibility of managing and running the Charity is entrusted. However, the General Director is responsible for implementing the vision and strategy agreed by Trustees and the day to day running of the organisation. As a co-opted member of the Council, he reports back at Trustees' meetings. All major policy decisions and those concerning capital expenditure are ratified by the Council who meet every four months with occasional online strategy meetings as required.

The Council Members are encouraged to propose names of possible future members, considering their:

- skills, knowledge and experience
- location and availability

Informal meetings followed by formal meetings are held with potential members, leading to a decision by Council as to whether such persons are invited to serve. These procedures are accompanied by furnishing the candidate with the History and Aims of SGA, the Doctrinal Statement and the Responsibilities of a Council Member.

A new Council Member is encouraged to undertake further training related to his particular role in the Association.

The company has sister organisations in Australia, Canada, New Zealand and the USA.

Disclosure of information to auditors

This report has been prepared in accordance with the small company regime as outlined in Section 419(2) of the Companies Act 2006.

Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

Asset cover for funds

Note 22 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.

Auditor

In accordance with the company's memorandum and articles of association, a resolution proposing that Plummer Parsons be reappointed as auditors of the company will be put to the Annual General Meeting.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

On behalf of the board of directors

Rev W F McCurrie
Trustee

6 June 2023

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees, who are also the directors of Slavic Gospel Association (British Section) Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law 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, including the income and expenditure, of the charitable company for that year.

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 UK 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 operation.

The trustees are responsible for keeping adequate 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 Companies Act 2006. They 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.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

Opinion

We have audited the financial statements of Slavic Gospel Association (British Section) Limited (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities, the statement of financial position, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly, we have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks.

Based on our understanding of the charity and industry, and through discussion with the trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006, Charities Act 2011, Bribery Act 2010, employment law, Data Protection Act and GDPR. We considered the extent to which non-compliance might have a material effect on the financial statements.

We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as FRS 102 and the Charities Statement of Recommended Practice (SORP). We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

We evaluated management's incentives and opportunities for fraudulent activities in the financial statements (including the risk of override of controls), and assessed that the principal risks could relate to posting journal entries to artificially increase income or reduce expenditure, incorrect claims through the Coronavirus Job Retention Scheme, related party transactions, management bias in accounting estimates and judgmental areas of the financial statements such as the allocation of support cost expenditure. Audit procedures performed by the engagement team included:

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud, and review of the reports made by management; and
- A review of relevant correspondence, including correspondence with HM Revenue & Customs, for signs of potential non-compliance with laws and regulations; and
- A review of specific nominal codes within the accounting records that would highlight costs associated with non-compliance of relevant laws and regulations; and
- Assessment of identified fraud risk factors; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation, as well as throughout the year.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Plummer Parsons

15 June 2023

Chartered Accountants
Statutory Auditor

18 Hyde Gardens
Eastbourne
East Sussex
BN21 4PT

Plummer Parsons is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

Current financial year

	Notes	Unrestricted funds general 2022 £	Unrestricted funds Designated 2022 £	Total 2022 £	Total 2021 £
<u>Income and endowments from:</u>					
Donations and legacies	3	861,990	1,848,159	2,710,149	1,318,244
Other trading activities	4	12,615	-	12,615	7,493
Investments	5	8,064	-	8,064	878
Other income	6	-	-	-	91
Total income		882,669	1,848,159	2,730,828	1,326,706
<u>Expenditure on:</u>					
Activities for generating funds	7	75,655	-	75,655	39,797
Spreading the Gospel in eastern Europe	8	403,993	1,691,502	2,095,495	1,404,327
Total expenditure		479,648	1,691,502	2,171,150	1,444,124
Net gains/(losses) on investments	12	(49,982)	-	(49,982)	-
Net incoming/(outgoing) resources before transfers		353,039	156,657	509,696	(117,418)
Gross transfers between funds		(307,852)	307,852	-	-
Net incoming/(outgoing) resources		45,187	464,509	509,696	(117,418)
Other recognised gains and losses					
Other gains or losses	14	1,836	(78)	1,758	(2,272)
Net movement in funds		47,023	464,431	511,454	(119,690)
Fund balances at 1 January 2022		581,643	1,260,260	1,841,903	1,961,593
Fund balances at 31 December 2022		628,666	1,724,691	2,353,357	1,841,903

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

All income and expenditure derive from continuing activities.

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

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

Prior financial year

	Notes	Unrestricted funds general 2021 £	Unrestricted funds Designated 2021 £	Total 2021 £
<u>Income and endowments from:</u>				
Donations and legacies	3	831,600	486,644	1,318,244
Other trading activities	4	7,493	-	7,493
Investments	5	878	-	878
Other income	6	91	-	91
Total income		840,062	486,644	1,326,706
<u>Expenditure on:</u>				
Activities for generating funds	7	39,797	-	39,797
Spreading the Gospel in eastern Europe	8	379,175	1,025,152	1,404,327
Total expenditure		418,972	1,025,152	1,444,124
Net gains/(losses) on investments	12	-	-	-
Net incoming/(outgoing) resources before transfers		421,090	(538,508)	(117,418)
Gross transfers between funds		(287,691)	287,691	-
Net incoming/(outgoing) resources		133,399	(250,817)	(117,418)
<u>Other recognised gains and losses</u>				
Other gains or losses	14	(953)	(1,319)	(2,272)
Net movement in funds		132,446	(252,136)	(119,690)
Fund balances at 1 January 2021		449,197	1,512,396	1,961,593
Fund balances at 31 December 2021		581,643	1,260,260	1,841,903

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Property, plant and equipment	15		160,889		146,817
Investments	16		150,018		-
			<u>310,907</u>		<u>146,817</u>
Current assets					
Inventories	17	8,670		6,004	
Debtors falling due after one year	18	33,724		38,868	
Debtors falling due within one year	18	79,873		115,006	
Cash at bank and in hand		1,936,483		1,547,633	
		<u>2,058,750</u>		<u>1,707,511</u>	
Current liabilities	19	(16,300)		(12,425)	
Net current assets			<u>2,042,450</u>		<u>1,695,086</u>
Total assets less current liabilities			<u><u>2,353,357</u></u>		<u><u>1,841,903</u></u>
Income funds					
Unrestricted funds - Designated	21		1,724,691		1,260,260
Unrestricted funds - general			<u>628,666</u>		<u>581,643</u>
			<u><u>2,353,357</u></u>		<u><u>1,841,903</u></u>

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 2022, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, 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 Trustees on 6 June 2023

Rev W F McCurrie
Trustee

Mr C J K Smith
Trustee

Company Registration No. 00945991

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	23		601,286		(116,901)
Investing activities					
Purchase of property, plant and equipment		(20,500)		(469)	
Purchase of investments		(200,000)		-	
Investment income received		8,064		878	
Net cash (used in)/generated from investing activities			(212,436)		409
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			388,850		(116,492)
Cash and cash equivalents at beginning of year			1,547,633		1,664,125
Cash and cash equivalents at end of year			<u>1,936,483</u>		<u>1,547,633</u>

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Charity information

Slavic Gospel Association (British Section) Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 22 Little Church Street, Rugby, Warwickshire, CV21 3AW.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

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

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

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the directors for specific purposes. The purposes and uses of the designated funds are set out in the notes to the accounts.

1.4 Income

Income is recognised when the charity 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 charity's income consists of voluntary income, income from charitable activities and investment income.

The charity is not registered for VAT.

Cash donations are recognised on receipt. Other donations are recognised once the charity 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 in the period of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Income from grants and contracts is recognised when the charity has entitlement to the funds, any performance conditions have been met, it is probable that income will be received and the amount can be measured reliably and is not deferred.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Fundraising and trading income consists of monies generated from the sale of books, CD's and cards, as well as registration fees from delegates at the Charity's annual supporters conference. This is also recognised as income when receivable.

Investment income is wholly bank and stock interest generated and is recognised in the SoFA when receivable.

1.5 Expenditure

All expenditure is incurred in pursuit of the Charity's objects as laid down in the Memorandum and Articles of Association and is recognised in the accounts when payable.

The Charity's accounting system is designed to trace general fund expenditure and distinguish it from that directly attributable to a project. All expenditure incurred on designated funds (see analysis at note 8) is treated as direct charitable expenditure for charitable activities.

General fund expenditure is allocated to 5 broad headings of Administration, Promotions, Council Expenses, Eastern European Field and UK Home.

Administrative expenditure is treated as support costs for charitable expenditure whilst promotions costs are shown as costs of generating voluntary income as these relate to the production of promotional material.

Council expenses are the costs of holding regular council meetings including re-imbursing travelling expenses of the council members and these are included as governance costs. Governance costs also includes fees of the auditors to meet external scrutiny requirements.

Eastern European Field expenditure is treated activities undertaken directly for charitable activities.

UK Home expenditure is split between costs of generating voluntary income and activities undertaken directly for charitable activities as it includes the costs of representatives who also make trips to eastern Europe.

1.6 Property, plant and equipment

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

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

Buildings	Straight line over fifty years
Computer equipment	25% Reducing balance
Fixtures and fittings	15% Reducing balance
Motor vehicles	20% Reducing balance

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 the statement of financial activities.

During 2020, it was deemed appropriate that land be depreciated at 0%. 25% of the Land and Buildings value has been appropriated to land and the cumulative effect of the historic depreciation has been reversed. This is considered as a change of estimate, being a change in depreciation rate.

Tangible fixed assets are capitalised if they can be used for more than 1 year and cost at least £1,000.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

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. 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 charity reviews the carrying amounts of its tangible and intangible 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 are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

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 charity 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 charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

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

Basic financial assets

Basic financial assets, which include 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.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, 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 receipts discounted at a market rate of interest. 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. Accounts 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.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Derecognition of financial liabilities

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

1.12 Employee benefits

The cost of any material 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 charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Foreign exchange

Transactions denominated in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All differences are included in net outgoing resources.

1.15 Loans issued

Loans are occasionally issued to supported projects in Eastern Europe. These funds are repayable over a set term and no interest is charged. The amounts recoverable are included as Receivables in the accounts.

If in the future the trustees decide not to request repayment of these amounts, they will be written off as grants paid under Direct Charitable Activities.

2 Critical accounting estimates and judgements

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

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

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

3 Donations and legacies	Unrestricted funds general		Unrestricted funds Designated		Unrestricted funds general		Unrestricted funds Designated		Total	
	2022	£	2022	£	2021	£	2021	£	2022	£
Donations and gifts	670,031		1,848,159		518,185		486,644		2,518,190	1,004,829
Legacies receivable	191,959		-		283,334		-		191,959	283,334
Government furlough grants	-		-		30,081		-		-	30,081
	<u>861,990</u>		<u>1,848,159</u>		<u>831,600</u>		<u>486,644</u>		<u>2,710,149</u>	<u>1,318,244</u>
Donations and gifts	423,475		1,574,312		297,527		379,910		1,997,787	677,437
Donations and gifts	78,995		78,000		97,090		45,000		156,995	142,090
Donations from trusts	37,320		106,385		28,289		37,197		143,705	65,486
Gift aid recovered	53,905		18,029		34,124		-		71,934	34,124
Conference offerings	74,117		71,074		58,249		21,788		145,191	80,037
Donations to fulltime staff	1,140		150		1,200		-		1,290	1,200
Donations to voluntary representatives	1,079		209		1,706		2,749		1,288	4,455
Other										
	<u>670,031</u>		<u>1,848,159</u>		<u>518,185</u>		<u>486,644</u>		<u>2,518,190</u>	<u>1,004,829</u>

Legacies which are expected but which do not meet the recognition criteria for Legacies Receivable are considered as Contingent Assets. As these amounts generally cannot be valued with reasonable certainty, these are not separately disclosed.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

4 Other trading activities

Unrestricted funds general 2022 £ **Unrestricted funds general 2021 £**

Sale of books, CDs and cassettes 12,615 7,493

5 Investments

Unrestricted funds general 2022 £ **Unrestricted funds general 2021 £**

Interest receivable 8,064 878

6 Other income

Total Unrestricted funds general 2022 £ **Unrestricted funds general 2021 £**

Other income - 91

7 Activities for generating funds

Unrestricted funds general 2022 £ **Unrestricted funds general 2021 £**

Costs of generating voluntary income
Conference expenses 31,168 109
Advertising 18,072 17,508
Support costs 21,787 22,082
Costs of generating voluntary income 71,027 39,699
Costs of goods sold and conference expenses
Other trading activities 4,628 98
75,655 39,797

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

8 Spreading the Gospel in eastern Europe

	Spreading the Gospel in eastern Europe 2022 £	Spreading the Gospel in eastern Europe 2021 £
Direct costs	1,691,501	1,025,151
Telephone	737	567
Motor	3,110	3,303
Sundry expenses	-	174
	<u>1,695,348</u>	<u>1,029,195</u>
Share of support costs (see note 9)	386,815	362,677
Share of governance costs (see note 9)	13,332	12,455
	<u>2,095,495</u>	<u>1,404,327</u>
Analysis by fund		
Unrestricted funds - general	403,993	379,175
Unrestricted funds - Designated	1,691,502	1,025,152
	<u>2,095,495</u>	<u>1,404,327</u>

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

9 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Staff costs	325,679	-	325,679	326,038	-	326,038
Depreciation	6,428	-	6,428	5,876	-	5,876
Direct costs	5,851	-	5,851	1,033	-	1,033
Rent and rates	977	-	977	1,072	-	1,072
Insurance	2,636	-	2,636	2,644	-	2,644
Light and heat	1,938	-	1,938	1,167	-	1,167
Repairs and maintenance	20	-	20	172	-	172
Telephone	1,951	-	1,951	3,070	-	3,070
Printing, postage, stationery and computer costs	28,743	-	28,743	29,410	-	29,410
Motor and travel	21,700	-	21,700	8,492	-	8,492
Sundry expenses	12,679	-	12,679	5,785	-	5,785
Audit fees	-	7,488	7,488	-	6,960	6,960
Accountancy	-	5,200	5,200	-	5,160	5,160
Trustees' meeting costs	-	644	644	-	335	335
	<u>408,602</u>	<u>13,332</u>	<u>421,934</u>	<u>384,759</u>	<u>12,455</u>	<u>397,214</u>
Analysed between						
Fundraising	21,787	-	21,787	22,082	-	22,082
Charitable activities	386,815	13,332	400,147	362,677	12,455	375,132
	<u>408,602</u>	<u>13,332</u>	<u>421,934</u>	<u>384,759</u>	<u>12,455</u>	<u>397,214</u>

During the year payments were made to the auditor of £7,488 (2021: £6,960) for audit services and £5,200 (2021: £5,160) for non-audit services.

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, and during the year 3 trustees were reimbursed for expenses totalling £10,270 (2021 - 2 trustees were reimbursed for expenses totalling £141) to cover travelling expenses incurred on charity business.

Total donations received from directors, key management personnel and their related parties, amounted to £74,471 (2021: £16,505). 2 related parties made purchases of things like books totalling £228 (2021: £nil)

There are no other related party transactions requiring disclosure.

The charity was under the control of the directors throughout the year.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

11 Employees

The average monthly number of employees during the year was:

	2022	2021
	Number	Number
Mission team members/Field workers	7	7
Administration and promotion	3	3
	<u> </u>	<u> </u>
Total	<u> </u> 10	<u> </u> 10

Employment costs	2022	2021
	£	£
Wages and salaries	271,654	271,797
Social security costs	24,684	23,854
Other pension costs	29,341	30,387
	<u> </u>	<u> </u>
	<u> </u> 325,679	<u> </u> 326,038

The total remuneration paid to key management personnel was £36,242 (2021: £35,082).

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

12 Net gains/(losses) on investments

	Unrestricted	Total
	funds	
	general	
	2022	2021
	£	£
Revaluation of investments	(49,982)	-
	<u> </u>	<u> </u>

13 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

14 Other gains or losses

	Unrestricted	Unrestricted	Total	Unrestricted	Unrestricted	Total
	funds	funds		funds	funds	
	general	Designated		general	Designated	
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Foreign exchange gains	(1,836)	78	(1,758)	953	1,319	2,272
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

15 Property, plant and equipment

	Buildings	Computer equipment	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2022	151,498	7,182	48,797	68,763	276,240
Additions	-	-	-	20,500	20,500
At 31 December 2022	151,498	7,182	48,797	89,263	296,740
Depreciation and impairment					
At 1 January 2022	18,179	3,998	48,304	58,942	129,423
Depreciation charged in the year	2,272	796	74	3,286	6,428
At 31 December 2022	20,451	4,794	48,378	62,228	135,851
Carrying amount					
At 31 December 2022	131,047	2,388	419	27,035	160,889
At 31 December 2021	133,319	3,184	493	9,821	146,817

All tangible fixed assets are for charitable use other than a small quantity of office equipment used in administration.

16 Fixed asset investments

	Listed investments
	£
Cost or valuation	
At 1 January 2022	-
Additions	200,000
Valuation changes	(49,982)
At 31 December 2022	150,018
Carrying amount	
At 31 December 2022	150,018
At 31 December 2021	-

17 Inventories

	2022	2021
	£	£
Finished goods and goods for resale	8,670	6,004

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

18 Trade and other receivables

	2022	2021
	£	£
Amounts falling due within one year:		
Trade receivables	56,841	90,954
Other receivables	16,891	16,720
Prepayments and accrued income	6,141	7,332
	<u>79,873</u>	<u>115,006</u>
	2022	2021
	£	£
Amounts falling due after more than one year:		
Other receivables	<u>33,724</u>	<u>38,868</u>
Total debtors	<u>113,597</u>	<u>153,874</u>

19 Current liabilities

	2022	2021
	£	£
Other taxation and social security	1,984	985
Trade payables	3,426	1,234
Accruals and deferred income	10,890	10,206
	<u>16,300</u>	<u>12,425</u>

20 Retirement benefit schemes

Defined contribution schemes

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

The charge to profit or loss in respect of defined contribution schemes was £29,341 (2021: £30,387).

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

21 Designated funds

The income funds of the charity include the following project funds which have been partly funded by specified donations and partly by monies set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2022	Receipts	Movement in funds			Balance at 31 December 2022
			Payments	Fund Revaluations, transfers	gains and losses	
	£	£	£	£	£	£
Support of East European Ministries	51,945	15,573	(28,922)	-	(78)	38,518
Support of Mission Schools	18,136	12,443	(26,712)	22,141	-	26,008
East European Leadership Support	326,928	244,797	(375,290)	84,658	-	281,093
Phoebe Projects	6,438	18,900	(30,523)	16,718	-	11,533
Literature Ministries	10,952	20,573	(29,436)	15,781	-	17,870
Radio Ministries	35,999	19,554	(17,420)	10,000	-	48,133
Vehicles for Eastern Europe	18,604	1,094	(4,803)	-	-	14,895
Widows Project	-	38,470	(62,316)	34,546	-	10,700
Special Projects	338,677	1,476,755	(1,116,080)	71,410	-	770,762
Media/Website	10,080	-	-	-	-	10,080
Loans issued	150,000	-	-	-	-	150,000
	<u>967,759</u>	<u>1,848,159</u>	<u>(1,691,502)</u>	<u>255,254</u>	<u>(78)</u>	<u>1,379,592</u>

The Project Fund payments as shown in this note include monthly contributions to General Funds for management and administration costs directly attributable to the work. These are provided at a maximum of 15% (9% admin. plus 6% publicity) on all gifts. The total transferred in this way is shown in notes 7 and 9 above.

Transfers between the project and emergency funds represent monies which have been utilised from General funds to cover the work carried out towards these individual projects.

Each of the items listed above represents an area of activities that the charity supports within Eastern Europe. Together these funds for the "Project Funds" which the charity operates. These are as a result of donations given for use towards a particular project, but for which the charity retains ultimate discretion as to its application. The transfers into these funds represent monies from General Funds to cover deficits on individual funds, as well as additional monies set aside by the trustees for use towards these projects.

Other Designated Funds

Emergency fund	145,684	-	-	38,526	-	184,210
Tangible fixed assets	146,817	-	-	14,072	-	160,889
	<u>1,260,260</u>	<u>1,848,159</u>	<u>(1,691,502)</u>	<u>307,852</u>	<u>(78)</u>	<u>1,724,691</u>

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

21 Designated funds

(Continued)

In order to increase the accuracy of the presentation of the financial status shown in the accounts, it has been decided by the Trustees to designate funds to the value of the tangible fixed assets. This is to reflect the restrictions that the assets impose upon the funds held; the money tied up in the property is not free to be spent without the assets being sold to realise these funds.

Monies have also been designated to retain sufficient funds to meet the charity's obligations should further funds not become available. The justification of this amount is as follows:

- To avoid the necessity of realising fixed assets held for the charity's use (see details above);
- To cover one year's administration, fund-raising and support costs;
- To provide a pool equal to 10% of the average charitable expenditure over the preceding two years from which the funds can be designated to specific projects.

Transfers to/from the Fixed asset fund represent the net movements on the tangible fixed assets during the year.

22 Analysis of net assets between funds

	Unrestricted funds	Designated funds	Total Unrestricted funds	Designated funds	Total
	2022	2022	2022	2021	2021
	£	£	£	£	£
Fund balances at 31 December 2022 are represented by:					
Property, plant and equipment	-	160,889	160,889	-	146,817
Investments	150,018	-	150,018	-	-
Current assets/(liabilities)	2,042,450	-	2,042,450	581,643	1,113,443
	<u>2,192,468</u>	<u>160,889</u>	<u>2,353,357</u>	<u>581,643</u>	<u>1,841,903</u>

23 Cash generated from operations

	2022	2021
	£	£
Surplus/(deficit) for the year	509,696	(117,418)
Adjustments for:		
Investment income recognised in statement of financial activities	(8,064)	(878)
Foreign exchange differences	1,758	(2,272)
Fair value gains and losses on investments	49,982	-
Depreciation and impairment of property, plant and equipment	6,428	5,876
Movements in working capital:		
(Increase) in inventories	(2,666)	(1,449)
Decrease/(increase) in trade and other receivables	40,277	(2,857)
Increase in trade and other payables	3,875	2,097
Cash generated from/(absorbed by) operations	<u>601,286</u>	<u>(116,901)</u>

24 Analysis of changes in net funds

The charity had no debt during the year.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

England & Wales - Charity number 258253

Accounts



Plummer Parsons
Chartered Accountants

Charity registration number 258253

Company registration number 00945991 (England and Wales)

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

SLAVIC GOSPEL ASSOCIATION

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Rev W F McCurrie Mr D Harvey Mr R A Potts Mr C J K Smith Mr E Macdonald Mr J A Knox Dr H J Waters Mr R W Trainer
Secretary	Rev W F McCurrie
Charity number	258253
Company number	00945991
Principal address	22 Little Church Street Rugby Warwickshire CV21 3AW
Registered office	22 Little Church Street Rugby Warwickshire CV21 3AW
Auditor	Plummer Parsons 18 Hyde Gardens Eastbourne East Sussex BN21 4PT
Bankers	Barclays Bank PLC North Street Rugby Warwickshire CV21 2AH

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

SLAVIC GOSPEL ASSOCIATION

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SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees present their annual report and financial statements 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 financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The objects of SGA are to assist the Church in Central and Eastern Europe, Central Asia and Far East Russia to become fully equipped to fulfil the great Commission of Jesus Christ, particularly among its own peoples by training workers, sponsoring leaders, providing Christian literature and distributing aid.

The means adopted in order to accomplish the objects of the charity are summed up in the purpose statement – To serve Christ and His Church.

The charity believes that the most effective way for the Mission to achieve its objectives is to find and support local churches and individuals who have a vision to make Jesus and the love of God known through their words and actions. Therefore, the charity makes grants, provides teaching, training, gifts in kind and other resources to churches, individuals, and organisations through their four core ministries:

1. Biblical Leadership Training which prepares the indigenous church for Christian service through our Mission Schools. Over the years, leadership training, theological studies, and other educational training has been offered to students in Poland, Slovakia, Hungary, Serbia, Bulgaria, Romania, Moldova, Ukraine, and Central Asia. Gifted Christian workers recommended by the local churches are given the opportunity to undertake a course of study to equip them for a lifetime of Christian service in the various ministries-pastoral ministry, youth ministry, work among drug addicts, orphans and widows, which brings maximum benefits to the public.

Students in Balti Mission School, Moldova, and Almaty Bible Institute, Kazakhstan receive grants.

International Correspondence Bible School in Central Asia offers Christian education by extension mainly to Kazakhstan and Tajikistan.

2. Leadership Support includes providing funds for pioneering churches and groups in new areas, growing and developing existing churches. This offers practical and financial assistance to Christian leaders who cannot be supported by the small churches which they serve. If this support were not available some would be forced to leave their Christian ministry for work opportunities elsewhere. Also, supporting other church projects that include making grants towards the purchase or building of public places of worship and providing transportation for evangelists and pastors, is helping to advance the Gospel.

3. Christian Literature provides resources such as Bibles and other literature which is helpful in understanding Biblical truth.

4. Crisis Response includes relief of poverty, medical assistance, drug and alcohol rehabilitation, food aid, emergency aid, disaster relief and other programmes for the benefit of the community. This support helps our partners in showing God's love in these practical ways. SGA's Crisis Response ministry is of huge public benefit as the poor and needy, vulnerable and forsaken, forgotten and neglected are being provided for through many different means. Impoverished communities are receiving the necessities for survival and medical care at point of need. The public benefits are enormous and far reaching.

Activities for the public benefit

The trustees have paid due regard to the Charity Commission guidance regarding Public Benefit.

SGA is currently serving the local evangelical churches through its four areas of ministry: Biblical Leadership Training; Leadership Support; Christian Literature; Crisis Response; the purpose being to enable the churches to best serve their own society and offer aid where possible.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

In all our projects and ministries, the public benefit of individuals, families or communities is paramount. It has always been the desire of the charity from its inception to show compassion to the needy and have a caring attitude toward the helpless.

Grant making policy

Grant making is always in response to requests from church leaders in Eastern Europe, Central Asia and Far East Russia or a need observed by staff while on Field trips. Grants are only made to known partners and those recommended by long standing and trusted sources. Trustees have delegated responsibility for grant making from funds to the General Director for grants up to £7,000 from General Funds and £10,000 from Designated Funds. Amounts in excess of this must be approved by the Board of Directors.

We recognise the need to take steps to prevent the use of grants for money laundering, terrorist activity, bribery and for purposes other than those for which they were given. To this end Trustees hold SGA's partners accountable for the funds, resources, aid or training they have received and require them to produce regular reports of their activities and use of funding. In addition, SGA staff members visit partners who receive funding or other help from SGA.

All our partners understand that the grants, training, or gifts in kind are to be used for the benefit of the community they serve and are to be freely available to all sections of the community.

The role of volunteers

The Trustees are very grateful to the many volunteers across the UK who give their time and energy to help Slavic Gospel Association and our partners. Volunteers help occasionally at the office in preparing the bi-monthly mail-out. In addition to this we have volunteers who plan itineraries for staff. The Phoebe Representatives operate in a voluntary capacity.

Achievements and performance

The past year has been one of significant achievements both in the UK and through our partners. It was the desire of the Board of Directors to be able to continue the support of our current number of national Gospel workers and fund all our ongoing projects on the Field at the present level.

We continue to look for new ways to share the missional need of Central & Eastern Europe, Central Asia and Far East Russia and raise funds for this work. Exploration of new ways to generate income included advertisements in Christian periodicals.

During the year achievements have included the expansion of Leadership Support through the fourth and final Project70 leaflet where we link UK churches/individuals with sponsored church planters, funding the production and distribution of Media Devices and SD cards in Central Asia; raising awareness and much needed finance for Hope Centres in Central Asia; support for Bible schools and students; transportation for church planters; literature projects.

Through our partners we have also continued to support children's work and orphanages; displaced people; widows; summer camps; soup kitchens, Covid-19 emergencies etc.

Just a few specific examples of this work include:

Training Workers

The main focus of SGA's ministry is Biblical Leadership Training. The teaching centres run in partnership with local churches scattered throughout Eastern Europe and Central Asia.

Although travel restrictions were in place in the early part of the year due to Covid-19, national church leaders were able to carry out the teaching required. From September 2021 SGA staff members were able to commence travel and share in the teaching alongside indigenous pastors.

The Mission has been able to continue funding for Emanuel University, Oradea, Romania; Odessa Seminary, Ukraine and Almaty Bible Institute, Kazakhstan.

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Supporting Leaders

Project70, that was launched to mark the 70th anniversary of the Mission has hugely increased SGA's financial contribution to missionary pastors. The aim was to send, and support 70 missionary pastors sponsored by churches and individuals in the UK & Ireland. This year the number has grown from seventy to eighty. This brings the total number of missionary families supported through Leadership Support to two hundred.

Radios/uploaded SD cards

SGA launched its project 'Sending Little Missionaries' in partnership with Trans World Radio, with anticipation and a degree of excitement. It was a response to the challenge of reaching isolated communities across Muslim-dominated Central Asia, with the Gospel.

SGA's initial commitment to finance and send 500 radios supplemented with pre-programmed SD cards containing Gospel material has superseded our expectations to 1300 sets. The impact of this partnership project has been significant, and very encouraging.

Church Buildings

Funds were provided for four Houses of Prayer in Ukraine, one in Poland, one in Tajikistan and one in Moldova.

Loan for Buildings Fund

The 'Loan for Buildings Fund' was created as another source of financing buildings for ministry in Eastern Europe and Central Asia. This is to address the problem of continual financial dependency upon the western support. This will bring huge public benefit as church buildings, camp facilities etc. can be completed with funds from the 'Loan Fund' and repayment made over an agreed period. No loans were requested during 2021.

Widows' Project

Widows' Fund which provides finance for heating, medical needs, food and clothing in Poland, Serbia, Macedonia, Bulgaria, Romania, Moldova, Ukraine and Central Asia amounted to £94,000 during 2021.

Transportation

A second-hand vehicle was funded for a Project70 missionary in Ukraine while funds were made available for a TWR missionary in Kyrgyzstan. Dr.Ivan Grozdanov received funding for a van to transport literature in Macedonia and surrounding countries. Aviation in Far East Russia received substantial funds.

SGA's partners in Sliven, Bulgaria, were provided with funding for general transportation.

Christian Literature

Dr. Ivan Grozdanov (Macedonia) received funds for printing. Finance was also provided to Faclia Editura Publishing House, Romania for a replacement printer. Financial help was offered for children's Bibles in Ukrainian. Good News Foundation (Hungary) received funding for their material on creation etc. Balti Mission School students received small libraries during their graduation.

In partnership with Bible Mission, Germany, funding has been made available to print Russian Family Bibles. These will consist of adult and children's Bibles and will be distributed in Central Asia.

East Ukraine Emergency Funding

It is the eighth year of war in the Donbas region of Ukraine. Every winter, SGA offers finance for essential supplies. This year partners requested funding for bedding and pillows which was provided.

Covid-19 Response

SGA sought to respond to our many friends as they sought to address and cope with the serious issues raised by Covid-19.

Phoebe Projects

Emanuel Hospice, Oradea, Romania along with Casa Filip, Cluj, Romania received substantial funds. Both of these facilities offer care to the terminally ill.

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Funding was also provided for Preventis in Cluj, Romania as the staff and volunteers offer counselling and advice to potential addicts and those already involved. Grace Shelter, Ukraine and Bread of Life, Serbia, both offering care for the vulnerable, were recipients of funding.

Strategies

All projects were funded by donations from churches and individuals throughout United Kingdom and Ireland. Deputation meetings began to pick up, especially during the latter part of the year.

During the year the charity published three project leaflets, and six 'Response Cards' which accompanied the bi-monthly mail out. They also promoted on-line giving, standing orders and credit card donations. Income from legacies and trusts also provided substantial finance. SGA claimed Gift Aid, where appropriate, which significantly increased income.

All the goals set for projects in Central/Eastern Europe, Central Asia and Far East Russia have been fulfilled through deputation, mail-outs and sponsorship.

Financial review

SGA's financial position on 31 December 2021 continued to be strong. Overall, the level of income for the year was not dissimilar to the previous year. However, an increased expenditure of over £400,000 was reflected in Project Expenditure.

The financial result for the year shows a deficit of £117,418 (2020: surplus of £439,852), before changes in fixed asset valuations.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained for the following reasons.

- [a] to provide funds which can be designated to specific projects to enable these projects to be undertaken at short notice and
- [b] to cover administration, fund-raising and support costs without which the charity could not function.

The trustees consider it prudent that designated reserves should be sufficient:

- [a] to avoid the necessity of realising fixed assets held for the charity's use;
- [b] to cover one year's administration fund-raising and support costs;
- [c] to provide a pool equal to 10% of the average charitable expenditure over the preceding two years from which funds can be designated to specific projects.

The Board of Directors, which meets three times per year, administers the Charity and by this means monitors and ensures that there is sufficient funding to give working capital for the forthcoming period. Occasionally a sub-committee may be appointed by the Board of Trustees to complete a particular task and report back to the Board. The Trustees review their strategy and consider how best to use the surplus free reserves.

Of the £581,643 of unrestricted funds held at the year end, the trustees anticipate that these will be used for increased funding for current projects and planned ministry expansion during 2022/23.

However, the directors are aware of the need to have large sums readily available sometimes for emergency relief and other charitable purposes.

All staff salaries are based on market value and are not performance related.

Reserves policy

Trustees keep under review the need for free reserves which are those unrestricted funds not invested in tangible fixed assets or designated for a specific purpose. Currently, to allow SGA to be managed efficiently and to provide a buffer for adverse contingencies, the Trustees' policy is that such reserves should be maintained at a level of between three and six months expenditure. The level of reserves required to be maintained is around £336,000. This amount excludes the value of all assets as disposing of them could exceed six months.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees review the major risks that the Charity faces and believe that maintaining the reserves at the level stated will enable the Charity to meet its short term commitments in the event of adverse conditions.

Risk Management

The principle financial risk for SGA is of receiving insufficient regular income to pay grants to its partners in Eastern Europe, Central Asia and Far East Russia. SGA limits this risk by regular communication with donors and actively seeking new donors in particular churches and trust funds.

Trustees are aware of other financial risks including possible fraud and have systems in place to mitigate major risks. Cash is handled in both received and distributed gifts. Fraud is countered by two signatories on receipts for all transactions being kept and checked against planned expenditure. Recipients of gifts are known to SGA.

The Trustees also regularly review other operational risks to which the company is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks, which are identified as:

- Loss of key staff: Each member of our small staff performs a significant role. Good staff relations and a sense of Divine calling has led to an excellent retention record.
- Safety: Staff are briefed on personal safety precautions to be taken while abroad.

SGA continues to develop policies and procedures to manage risk and ensure effectiveness, probity and legal and regulatory compliance.

Data Protection

In view of the new data protection regulations, the Trustees have agreed a revised policy. This policy is available on the Charity's website.

Safeguarding Vulnerable Groups

The Trustees have agreed a policy that outlines the Charity's guidelines and precautions in relation to vulnerable groups who are being provided for or receiving care through funding from SGA.

Project Fund Administration

There will be no administration charge deducted from funds that are allocated for special projects [PFA]. All financial gifts for projects, mission schools, leadership support will be sent in their totality.

Key Performance Indicators

There are several measures in place to assess the impact that the charity's activities are having in Eastern Europe, Central Asia and Far East Russia.

- All recipients are held accountable to the Trustees of Slavic Gospel Association for the funds, resources, aid or training they have received and are expected to produce regular reports of their activities and use of any funding.
- In addition, regular visits are made to those partners in receipt of regular funding; occasional visits are made to all other partners in receipt of significant funding or other help to gather and collate information on progress and impact.
- Test, examination and assignment results help monitor the progress of Mission School students. The performance of graduates is monitored by Mission School directors and local church leadership.
- Regular reports from participants funded under Leadership Support help the charity to measure their performance. Also, each person is required to participate in regular financial reviews of their income.
- Beneficiaries from transportation funds are monitored on a regular basis.
- The impact of the charity's Crisis Response ministry is both measured by regular reports and meetings during ministry trips by SGA staff.
- All partners understand that the grants, training or gifts in kind that they receive are in pursuit of the Charity's objectives and are for the benefit of the community they serve.

Investment policy

The Board of Slavic Gospel Association has ruled that the policy of the charity is to invest funds in the many urgent needs presented on the Field rather than investment managed funds in the UK.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Plans for future periods

Ministry developments:

- Plans are in place for new mission schools to commence in north Serbia and Central Romania.
- To be able to continue the support of our current number of nationals and fund all our ongoing projects in Eastern Europe, Far East Russia and Central Asia at the present level. We will seek to raise these required funds through deputation meetings, publishing 3 project leaflets annually, 'Project Response form' that accompanies the bi-monthly mail out and credit card/on-line giving.
- The five year plan for funding 25 students in Almaty Bible Institute and TWR's programme 'Power in Percussion' has been completed. An extension with an annual review will be considered.
- 'Bibles for the Nations' is a special project run in conjunction with Bible Mission, Germany. The goal is to provide 100,000 Bible sets for distribution in Central Asia and parts of Russia.
- SGA's partnership with Trans World Radio continues to develop. Financial provision has been made for radio programmes in Mongolia.
- The Mission's involvement in camp ministry in Eastern Europe and Central Asia is expanding. It is our desire to increase day camps in north Moldova.

Publicity:

- The monthly online newsfeed 'Inside Story' is providing relevant and up to date information from the Field.
- The updated Prayer Matters booklet [31 days of prayer] offers valuable material to faithful supporters.
- The Phoebe Project is making good progress. It focuses on ladies' ministries or projects directed by ladies in Eastern Europe and Central Asia. It is hoped with church activities recommencing following Covid 19 that Phoebe Representatives will have increased opportunities to share in ladies' events across the UK & Ireland.

Structure, governance and management

The company is a company limited by guarantee, company number 00945991, and charity registration number 258253. The flysheet to the accounts gives details of the charity's principle addresses and those of other relevant organisations.

The directors who served during the year are:

Mr A Bennett (Resigned 31 December 2021)
Rev W F McCurrie
Mr D Harvey
Mr R A Potts
Mr C J K Smith
Mr E Macdonald
Mr J A Knox
Dr H J Waters
Mr R W Trainer

Trustees are not paid for their service in this role other than expenses and none had any financial beneficial interest in the company. A register of Trustees' interests is held to ensure that there are no conflicts of interest and this is updated annually. The directors act as Trustees of the Charity.

The directors are the Council Members to whom the overall responsibility of managing and running the Charity is entrusted. However, the General Director is responsible for implementing the vision and strategy agreed by Trustees and the day to day running of the organisation. As a co-opted member of the Council, he reports back at Trustees' meetings. All major policy decisions and those concerning capital expenditure are ratified by the Council who meet every four months with occasional online strategy meetings as required.

The Council Members are encouraged to propose names of possible future members, considering their:

- skills, knowledge and experience
- location and availability

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FOR THE YEAR ENDED 31 DECEMBER 2021

Informal meetings followed by formal meetings are held with potential members, leading to a decision by Council as to whether such persons are invited to serve. These procedures are accompanied by furnishing the candidate with the History and Aims of SGA, the Doctrinal Statement and the Responsibilities of a Council Member.

A new Council Member is encouraged to undertake further training related to his particular role in the Association.

The company has sister organisations in Australia, Canada, New Zealand and the USA.

Asset cover for funds

Note 19 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.

Auditor

In accordance with the company's memorandum and articles of association, a resolution proposing that Plummer Parsons be reappointed as auditors of the company will be put to the Annual General Meeting.

On behalf of the board of directors

Rev W F McCurrie
Director

7 June 2022

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees, who are also the directors of Slavic Gospel Association (British Section) Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law 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, including the income and expenditure, of the charitable company for that year.

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 UK 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 operation.

The trustees are responsible for keeping adequate 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 Companies Act 2006. They 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.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

SLAVIC GOSPEL ASSOCIATION

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

Opinion

We have audited the financial statements of Slavic Gospel Association (British Section) Limited (the 'charity') for the year ended 31 December 2021 which comprise the statement of financial activities, the statement of financial position, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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SLAVIC GOSPEL ASSOCIATION
INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly, we have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks.

Based on our understanding of the charity and industry, and through discussion with the trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006, Charities Act 2011, Bribery Act 2010, employment law, Coronavirus Jobs Retention Scheme (CJRS), Data Protection Act and GDPR. We considered the extent to which non-compliance might have a material effect on the financial statements.

We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as FRS 102 and the Charities Statement of Recommended Practice (SORP). We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

We evaluated management's incentives and opportunities for fraudulent activities in the financial statements (including the risk of override of controls), and assessed that the principal risks could relate to posting journal entries to artificially increase income or reduce expenditure, incorrect claims through the Coronavirus Job Retention Scheme, related party transactions, management bias in accounting estimates and judgmental areas of the financial statements such as the allocation of support cost expenditure. Audit procedures performed by the engagement team included:

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INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud, and review of the reports made by management; and
- A review of relevant correspondence, including correspondence with HM Revenue & Customs, for signs of potential non-compliance with laws and regulations; and
- A review of specific nominal codes within the accounting records that would highlight costs associated with non-compliance of relevant laws and regulations; and
- Assessment of identified fraud risk factors; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation, as well as throughout the year.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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SLAVIC GOSPEL ASSOCIATION
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Plummer Parsons

17 June 2022

Chartered Accountants
Statutory Auditor

18 Hyde Gardens
Eastbourne
East Sussex
BN21 4PT

Plummer Parsons is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2021

Current financial year

	Notes	Unrestricted funds general 2021 £	Unrestricted funds Designated 2021 £	Total 2021 £	Total 2020 £
<u>Income and endowments from:</u>					
Donations and legacies	3	831,600	486,644	1,318,244	1,444,942
Other trading activities	4	7,493	-	7,493	4,949
Investments	5	878	-	878	3,021
Other income	6	91	-	91	-
Total income		840,062	486,644	1,326,706	1,452,912
<u>Expenditure on:</u>					
Activities for generating funds	7	39,797	-	39,797	38,027
Spreading the Gospel in eastern Europe	8	379,175	1,025,152	1,404,327	975,033
Total expenditure		418,972	1,025,152	1,444,124	1,013,060
Net incoming resources before transfers		421,090	(538,508)	(117,418)	439,852
Gross transfers between funds		(287,691)	287,691	-	-
Net income for the year/ Net incoming resources		133,399	(250,817)	(117,418)	439,852
<u>Other recognised gains and losses</u>					
Other gains or losses	12	(953)	(1,319)	(2,272)	4,305
Net movement in funds		132,446	(252,136)	(119,690)	444,157
Fund balances at 1 January 2021		449,197	1,512,396	1,961,593	1,517,436
Fund balances at 31 December 2021		581,643	1,260,260	1,841,903	1,961,593

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

All income and expenditure derive from continuing activities.

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

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2021

Prior financial year

		Unrestricted funds general 2020 £	Unrestricted funds Designated 2020 £	Total 2020 £
	Notes			
<u>Income and endowments from:</u>				
Donations and legacies	3	998,840	446,102	1,444,942
Other trading activities	4	4,949	-	4,949
Investments	5	3,021	-	3,021
Total income		<u>1,006,810</u>	<u>446,102</u>	<u>1,452,912</u>
<u>Expenditure on:</u>				
Activities for generating funds	7	<u>38,027</u>	<u>-</u>	<u>38,027</u>
Spreading the Gospel in eastern Europe	8	<u>375,404</u>	<u>599,629</u>	<u>975,033</u>
Total expenditure		<u>413,431</u>	<u>599,629</u>	<u>1,013,060</u>
Net incoming resources before transfers		593,379	(153,527)	439,852
Gross transfers between funds		<u>(431,535)</u>	<u>431,535</u>	<u>-</u>
Net income for the year/ Net incoming resources		161,844	278,008	439,852
Other recognised gains and losses				
Other gains or losses	12	1,889	2,416	4,305
Net movement in funds		<u>163,733</u>	<u>280,424</u>	<u>444,157</u>
Fund balances at 1 January 2020		<u>285,464</u>	<u>1,231,972</u>	<u>1,517,436</u>
Fund balances at 31 December 2020		<u><u>449,197</u></u>	<u><u>1,512,396</u></u>	<u><u>1,961,593</u></u>

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Property, plant and equipment	13		146,817		152,224
Current assets					
Inventories	14	6,004		4,555	
Debtors falling due after one year	15	38,868		61,882	
Debtors falling due within one year	15	115,006		89,135	
Cash at bank and in hand		1,547,633		1,664,125	
		1,707,511		1,819,697	
Current liabilities	16	(12,425)		(10,328)	
Net current assets			1,695,086		1,809,369
Total assets less current liabilities			1,841,903		1,961,593
Income funds					
Unrestricted funds - Designated	19		1,260,260		1,512,396
Unrestricted funds - general			581,643		449,197
			1,841,903		1,961,593

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 2021, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, 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 Trustees on 7 June 2022

Rev W F McCurrie
Trustee

Mr C J K Smith
Trustee

Company Registration No. 00945991

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	20		(116,901)		451,887
Investing activities					
Purchase of property, plant and equipment		(469)		-	
Investment income received		878		3,021	
Net cash generated from investing activities			409		3,021
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(116,492)		454,908
Cash and cash equivalents at beginning of year			1,664,125		1,209,217
Cash and cash equivalents at end of year			<u>1,547,633</u>		<u>1,664,125</u>

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Charity information

Slavic Gospel Association (British Section) Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 22 Little Church Street, Rugby, Warwickshire, CV21 3AW.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

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

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 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 trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the directors for specific purposes. The purposes and uses of the designated funds are set out in the notes to the accounts.

1.4 Income

Income is recognised when the charity 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 charity's income consists of voluntary income, income from charitable activities and investment income.

The charity is not registered for VAT.

Cash donations are recognised on receipt. Other donations are recognised once the charity 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 in the period of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Income from grants and contracts is recognised when the charity has entitlement to the funds, any performance conditions have been met, it is probable that income will be received and the amount can be measured reliably and is not deferred.

Fundraising and trading income consists of monies generated from the sale of books, CD's and cards, as well as registration fees from delegates at the Charity's annual supporters conference. This is also recognised as income when receivable.

Investment income is wholly bank and stock interest generated and is recognised in the SoFA when receivable.

1.5 Expenditure

All expenditure is incurred in pursuit of the Charity's objects as laid down in the Memorandum and Articles of Association and is recognised in the accounts when payable.

The Charity's accounting system is designed to trace general fund expenditure and distinguish it from that directly attributable to a project. All expenditure incurred on designated funds (see analysis at note 8) is treated as direct charitable expenditure for charitable activities.

General fund expenditure is allocated to 5 broad headings of Administration, Promotions, Council Expenses, Eastern European Field and UK Home.

Administrative expenditure is treated as support costs for charitable expenditure whilst promotions costs are shown as costs of generating voluntary income as these relate to the production of promotional material.

Council expenses are the costs of holding regular council meetings including re-imbursing travelling expenses of the council members and these are included as governance costs. Governance costs also includes fees of the auditors to meet external scrutiny requirements.

Eastern European Field expenditure is treated activities undertaken directly for charitable activities.

UK Home expenditure is split between costs of generating voluntary income and activities undertaken directly for charitable activities as it includes the costs of representatives who also make trips to eastern Europe.

1.6 Property, plant and equipment

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

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

Buildings	Straight line over fifty years
Computer equipment	25% Reducing balance
Fixtures and fittings	15% Reducing balance
Motor vehicles	20% Reducing balance

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 the statement of financial activities.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

During the previous year, it was deemed appropriate that land be depreciated at 0%. 25% of the Land and Buildings value has been appropriated to land and the cumulative effect of the historic depreciation has been reversed. This is considered as a change of estimate, being a change in depreciation rate.

Tangible fixed assets are capitalised if they can be used for more than 1 year and cost at least £1,000.

1.7 Impairment of non-current assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible 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).

1.8 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

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

1.9 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.

1.10 Financial instruments

The charity 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 charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

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

Basic financial assets

Basic financial assets, which include 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.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including trade and other payables, 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 receipts discounted at a market rate of interest. 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. Accounts 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 charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any material 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 charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Foreign exchange

Transactions denominated in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All differences are included in net outgoing resources.

1.14 Loans issued

Loans are occasionally issued to supported projects in Eastern Europe. These funds are repayable over a set term and no interest is charged. The amounts recoverable are included as Receivables in the accounts.

If in the future the trustees decide not to request repayment of these amounts, they will be written off as grants paid under Direct Charitable Activities.

2 Critical accounting estimates and judgements

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

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

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

3 Donations and legacies

	Unrestricted funds general 2021 £	Unrestricted funds Designated 2021 £	Total 2021 £	Unrestricted funds general 2020 £	Unrestricted funds Designated 2020 £	Total 2020 £
Donations and gifts	518,185	486,644	1,004,829	424,081	439,120	863,201
Legacies receivable	283,334	-	283,334	510,669	6,982	517,651
Government furlough grants	30,081	-	30,081	64,090	-	64,090
	<u>831,600</u>	<u>486,644</u>	<u>1,318,244</u>	<u>998,840</u>	<u>446,102</u>	<u>1,444,942</u>
Donations and gifts						
Donations and gifts	297,527	379,910	677,437	286,340	313,596	599,936
Donations from trusts	97,090	45,000	142,090	37,850	75,251	113,101
Gift aid recovered	28,289	37,197	65,486	28,025	33,335	61,360
Conference offerings	34,124	-	34,124	26,556	1,805	28,361
Donations to fulltime staff	58,249	21,788	80,037	42,548	14,282	56,830
Donations to voluntary representatives	1,200	-	1,200	2,762	851	3,613
Other	1,706	2,749	4,455	-	-	-
	<u>518,185</u>	<u>486,644</u>	<u>1,004,829</u>	<u>424,081</u>	<u>439,120</u>	<u>863,201</u>

Legacies which are expected but which do not meet the recognition criteria for Legacies Receivable are considered as Contingent Assets. As these amounts generally can't be valued with reasonable certainty, these are not separately disclosed.

4 Other trading activities

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Sale of books, CDs and cassettes	<u>7,493</u>	<u>4,949</u>

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

5 Investments

Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
--	---

Interest receivable	878	3,021
	<u> </u>	<u> </u>

6 Other income

Unrestricted funds general 2021 £	Total 2020 £
--	--------------------

Other income	91	-
	<u> </u>	<u> </u>

7 Activities for generating funds

Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
--	---

Costs of generating voluntary income

Conference expenses	109	5,656
Advertising	17,508	17,883
Support costs (see note 9)	22,082	14,884
	<u> </u>	<u> </u>

Costs of generating voluntary income	39,699	38,423
	<u> </u>	<u> </u>

Costs of goods sold and conference expenses

Other trading activities	98	(396)
	<u> </u>	<u> </u>
	<u>39,797</u>	<u>38,027</u>

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

8 Spreading the Gospel in eastern Europe

	Spreading the Gospel in eastern Europe 2021 £	Spreading the Gospel in eastern Europe 2020 £
Direct costs	1,025,151	599,631
Telephone	567	816
Printing, postage, stationery and computer costs	-	109
Motor	3,303	2,423
Sundry expenses	174	1,025
	<u>1,029,195</u>	<u>604,004</u>
Share of support costs (see note 9)	362,677	359,296
Share of governance costs (see note 9)	12,455	11,733
	<u>1,404,327</u>	<u>975,033</u>
Analysis by fund		
Unrestricted funds - general	379,175	375,404
Unrestricted funds - Designated	1,025,152	599,629
	<u>1,404,327</u>	<u>975,033</u>

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

9 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Staff costs	326,038	-	326,038	326,599	-	326,599
Depreciation	5,876	-	5,876	7,726	-	7,726
Direct costs	1,033	-	1,033	534	-	534
Rent and rates	1,072	-	1,072	1,315	-	1,315
Insurance	2,644	-	2,644	2,652	-	2,652
Light and heat	1,167	-	1,167	1,020	-	1,020
Repairs and maintenance	172	-	172	144	-	144
Telephone	3,070	-	3,070	1,645	-	1,645
Printing, postage, stationery and computer costs	29,410	-	29,410	20,179	-	20,179
Motor and travel	8,492	-	8,492	8,207	-	8,207
Sundry expenses	5,785	-	5,785	4,159	-	4,159
Audit fees	-	6,960	6,960	-	6,481	6,481
Accountancy	-	5,160	5,160	-	5,252	5,252
Trustees' meeting costs	-	335	335	-	-	-
	<u>384,759</u>	<u>12,455</u>	<u>397,214</u>	<u>374,180</u>	<u>11,733</u>	<u>385,913</u>
Analysed between						
Fundraising	22,082	-	22,082	14,884	-	14,884
Charitable activities	362,677	12,455	375,132	359,296	11,733	371,029
	<u>384,759</u>	<u>12,455</u>	<u>397,214</u>	<u>374,180</u>	<u>11,733</u>	<u>385,913</u>

During the year payments were made to the auditor of £6,960 (2020: £6,481) for audit services and £5,160 (2020: £5,252) for non-audit services.

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, and during the year 2 trustees were reimbursed for expenses totalling £141 (2020 - none were reimbursed for expenses) to cover travelling expenses incurred on charity business.

Total donations received from directors, key management personnel and their related parties, amounted to £16,505 (2020: £21,745).

There are no other related party transactions requiring disclosure.

The charity was under the control of the directors throughout the year.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

11 Employees

The average monthly number of employees during the year was:

	2021	2020
	Number	Number
Mission team members/Field workers	7	7
Administration and promotion	3	3
	<u> </u>	<u> </u>
Total	<u> </u> <u> </u>	<u> </u> <u> </u>

Employment costs	2021	2020
	£	£
Wages and salaries	271,797	272,879
Social security costs	23,854	24,012
Other pension costs	30,387	29,708
	<u> </u>	<u> </u>
	<u> </u> <u> </u>	<u> </u> <u> </u>

The total remuneration paid to key management personnel was £35,082 (2020: £37,576).

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

12 Other gains or losses

	Unrestricted	Unrestricted	Total	Unrestricted	Unrestricted	Total
	funds	funds		funds	funds	
	general	Designated		general	Designated	
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Foreign exchange gains	953	1,319	2,272	(1,889)	(2,416)	(4,305)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

13 Property, plant and equipment

	Buildings	Computer equipment	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2021	151,498	6,713	48,797	68,763	275,771
Additions	-	469	-	-	469
	<u>151,498</u>	<u>7,182</u>	<u>48,797</u>	<u>68,763</u>	<u>276,240</u>
At 31 December 2021	151,498	7,182	48,797	68,763	276,240
Depreciation and impairment					
At 1 January 2021	15,907	2,937	48,217	56,486	123,547
Depreciation charged in the year	2,272	1,061	87	2,456	5,876
	<u>18,179</u>	<u>3,998</u>	<u>48,304</u>	<u>58,942</u>	<u>129,423</u>
At 31 December 2021	18,179	3,998	48,304	58,942	129,423
Carrying amount					
At 31 December 2021	<u>133,319</u>	<u>3,184</u>	<u>493</u>	<u>9,821</u>	<u>146,817</u>
At 31 December 2020	<u>135,591</u>	<u>3,776</u>	<u>580</u>	<u>12,277</u>	<u>152,224</u>

All tangible fixed assets are for charitable use other than a small quantity of office equipment used in administration.

14 Inventories

	2021	2020
	£	£
Finished goods and goods for resale	6,004	4,555
	<u>6,004</u>	<u>4,555</u>

15 Trade and other receivables

	2021	2020
	£	£
Amounts falling due within one year:		
Trade receivables	90,954	64,854
Other receivables	16,720	16,835
Prepayments and accrued income	7,332	7,446
	<u>115,006</u>	<u>89,135</u>

	2021	2020
	£	£
Amounts falling due after more than one year:		
Other receivables	38,868	61,882
	<u>38,868</u>	<u>61,882</u>
Total debtors	<u>153,874</u>	<u>151,017</u>

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

16 Current liabilities

	2021	2020
	£	£
Other taxation and social security	985	-
Trade payables	1,234	638
Accruals and deferred income	10,206	9,690
	<u>12,425</u>	<u>10,328</u>

17 Retirement benefit schemes

Defined contribution schemes

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

The charge to profit or loss in respect of defined contribution schemes was £30,387 (2020: £29,708).

18 Analysis of net assets between funds

	Unrestricted funds	Designated funds	Total	Unrestricted funds	Designated funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Fund balances at 31 December 2021 are represented by:						
Property, plant and equipment	-	146,817	146,817	-	152,224	152,224
Current assets/ (liabilities)	581,643	1,113,443	1,695,086	449,197	1,360,172	1,809,369
	<u>581,643</u>	<u>1,260,260</u>	<u>1,841,903</u>	<u>449,197</u>	<u>1,512,396</u>	<u>1,961,593</u>

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

19 Designated funds

The income funds of the charity include the following project funds which have been partly funded by specified donations and partly by monies set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2021 £	Receipts £	Movement in funds			Balance at 31 December 2021 £
			Payments £	Fund transfers £	Revaluations, gains and losses £	
Support of East European Ministries	54,170	18,742	(19,648)	-	(1,319)	51,945
Support of Mission Schools	51,777	14,291	(54,121)	6,189	-	18,136
East European Leadership Support	401,730	258,840	(417,964)	84,322	-	326,928
Phoebe Projects	-	13,334	(23,000)	16,104	-	6,438
Literature Ministries	43,158	19,062	(130,604)	79,336	-	10,952
Radio Ministries	28,969	35,200	(38,170)	10,000	-	35,999
Vehicles for Eastern Europe	38,925	4,458	(24,149)	(630)	-	18,604
Kindergarten Ministries	-	-	(500)	500	-	-
Widows Project	38,264	46,891	(94,088)	8,933	-	-
Special Projects	398,049	75,826	(222,908)	87,710	-	338,677
Media/Website	10,080	-	-	-	-	10,080
Loans issued	150,000	-	-	-	-	150,000
	<u>1,215,122</u>	<u>486,644</u>	<u>(1,025,152)</u>	<u>292,464</u>	<u>(1,319)</u>	<u>967,759</u>

The Project Fund payments as shown in this note include monthly contributions to General Funds for management and administration costs directly attributable to the work. These are provided at a maximum of 15% (9% admin. plus 6% publicity) on all gifts. The total transferred in this way is shown in notes 7 and 9 above.

Transfers between the project and emergency funds represent monies which have been utilised from General funds to cover the work carried out towards these individual projects.

Each of the items listed above represents an area of activities that the charity supports within Eastern Europe. Together these funds for the "Project Funds" which the charity operates. These are as a result of donations given for use towards a particular project, but for which the charity retains ultimate discretion as to its application. The transfers into these funds represent monies from General Funds to cover deficits on individual funds, as well as additional monies set aside by the trustees for use towards these projects.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

19 Designated funds **(Continued)**

Other Designated Funds

Emergency fund	145,049	-	-	635	-	145,684
Tangible fixed assets	152,225	-	-	(5,408)	-	146,817
	<u>1,512,396</u>	<u>486,644</u>	<u>(1,025,152)</u>	<u>287,691</u>	<u>(1,319)</u>	<u>1,260,260</u>

In order to increase the accuracy of the presentation of the financial status shown in the accounts, it has been decided by the Trustees to designate funds to the value of the tangible fixed assets. This is to reflect the restrictions that the assets impose upon the funds held; the money tied up in the property is not free to be spent without the assets being sold to realise these funds.

Monies have also been designated to retain sufficient funds to meet the charity's obligations should further funds not become available. The justification of this amount is as follows:

- To avoid the necessity of realising fixed assets held for the charity's use (see details above);
- To cover one year's administration, fund-raising and support costs;
- To provide a pool equal to 10% of the average charitable expenditure over the preceding two years from which the funds can be designated to specific projects.

Transfers to/from the Fixed asset fund represent the net movements on the tangible fixed assets during the year.

20 Cash generated from operations	2021	2020
	£	£
(Deficit)/surplus for the year	(117,418)	439,852
Adjustments for:		
Investment income recognised in statement of financial activities	(878)	(3,021)
Foreign exchange differences	(2,272)	4,305
Depreciation and impairment of property, plant and equipment	5,876	7,726
Movements in working capital:		
(Increase) in inventories	(1,449)	(1,346)
(Increase)/decrease in trade and other receivables	(2,857)	5,808
Increase/(decrease) in trade and other payables	2,097	(1,437)
Cash (absorbed by)/generated from operations	<u>(116,901)</u>	<u>451,887</u>

21 Analysis of changes in net funds

The charity had no debt during the year.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

England & Wales - Charity number 258253

Accounts



Plummer Parsons
Chartered Accountants

Charity Registration No. 258253

Company Registration No. 00945991 (England and Wales)

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

SLAVIC GOSPEL ASSOCIATION

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr A Bennett Rev W F McCurrie Mr D Harvey Mr R A Potts Mr C J K Smith Mr E Macdonald Mr J A Knox Dr H J Waters Mr R W Trainer
Secretary	Rev W F McCurrie
Charity number	258253
Company number	00945991
Principal address	22 Little Church Street Rugby Warwickshire CV21 3AW
Registered office	22 Little Church Street Rugby Warwickshire CV21 3AW
Auditor	Plummer Parsons 18 Hyde Gardens Eastbourne East Sussex BN21 4PT
Bankers	Barclays Bank PLC North Street Rugby Warwickshire CV21 2AH

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

SLAVIC GOSPEL ASSOCIATION

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SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2020

The Directors present their 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 charity's Memorandum & 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)

Objectives and activities

The objects of SGA are to assist the Church in Central and Eastern Europe, Central Asia and Far East Russia to become fully equipped to fulfil the great Commission of Jesus Christ, particularly among its own peoples by training workers, sponsoring leaders, providing Christian literature and distributing aid.

The means adopted in order to accomplish the objects of the charity are summed up in the purpose statement – To serve Christ and His Church.

The charity believes that the most effective way for the Mission to achieve its objectives is to find and support local churches and individuals who have a vision to make Jesus and the love of God known through their words and actions. Therefore, the charity makes grants, provides teaching, training, gifts in kind and other resources to churches, individuals, and organisations through their four core ministries:

1. Biblical Leadership Training which prepares the indigenous church for Christian service through our Mission Schools. Over the years, leadership training, theological studies, and other educational training has been offered to students in Poland, Slovakia, Hungary, Serbia, Bulgaria, Romania, Moldova, Ukraine, and Central Asia. Gifted Christian workers recommended by the local churches are given the opportunity to undertake a course of study to equip them for a lifetime of Christian service in the various ministries-pastoral ministry, youth ministry, work among drug addicts, orphans and widows, which brings maximum benefits to the public.

Students in Balti Mission School, Moldova, and Almaty Bible Institute, Kazakhstan receive grants. International Correspondence Bible School in Central Asia offers Christian education by extension mainly to Kazakhstan and Tajikistan.

2. Leadership Support includes providing funds for pioneering churches and groups in new areas, growing and developing existing churches. This offers practical and financial assistance to Christian leaders who cannot be supported by the small churches which they serve. If this support were not available some would be forced to leave their Christian ministry for work opportunities elsewhere. Also, supporting other church projects that include making grants towards the purchase or building of public places of worship and providing transportation for evangelists and pastors, is helping to advance the Gospel.

3. Christian Literature provides resources such as Bibles and other literature which is helpful in understanding Biblical truth.

4. Crisis Response includes relief of poverty, medical assistance, drug and alcohol rehabilitation, food aid, emergency aid, disaster relief and other programmes for the benefit of the community. This support helps our partners in showing God's love in these practical ways. SGA's Crisis Response ministry is of huge public benefit as the poor and needy, vulnerable and forsaken, forgotten and neglected are being provided for through many different means. Impoverished communities are receiving the necessities for survival and medical care at point of need. The public benefits are enormous and far reaching.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

SLAVIC GOSPEL ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Activities for the public benefit

The trustees have paid due regard to the Charity Commission guidance regarding Public Benefit.

SGA is currently serving the local evangelical churches through its four areas of ministry: Biblical Leadership Training; Leadership Support; Christian Literature; Crisis Response; the purpose being to enable the churches to best serve their own society and offer aid where possible.

In all our projects and ministries, the public benefit of individuals, families or communities is paramount. It has always been the desire of the charity from its inception to show compassion to the needy and have a caring attitude toward the helpless.

Grant making policy

Grant making is always in response to requests from church leaders in Eastern Europe, Central Asia and Far East Russia or a need observed by staff while on Field trips. Grants are only made to known partners and those recommended by long standing and trusted sources. Trustees have delegated responsibility for grant making from funds to the General Director for grants up to £7,000. Amounts in excess of this must be approved by the Board of Directors.

We recognise the need to take steps to prevent the use of grants for money laundering, terrorist activity, bribery and for purposes other than those for which they were given. To this end Trustees hold SGA's partners accountable for the funds, resources, aid or training they have received and require them to produce regular reports of their activities and use of funding. In addition, SGA staff members visit partners who receive funding or other help from SGA.

All our partners understand that the grants, training, or gifts in kind are to be used for the benefit of the community they serve and are to be freely available to all sections of the community.

The role of volunteers

The Trustees are very grateful to the many volunteers across the UK who give their time and energy to help Slavic Gospel Association and our partners. Volunteers help occasionally at the office in preparing the bi-monthly mail-out. In addition to this we have volunteers who plan itineraries for staff.

Achievements and performance

The past year has been one of significant achievements both in the UK and through our partners. It was the desire of the Board of Directors to be able to continue the support of our current number of national Gospel workers and fund all our ongoing projects on the Field at the present level.

We continue to look for new ways to share the missional need of Central & Eastern Europe, Central Asia and Far East Russia and raise funds for this work. Exploration of new ways to generate income included the use of Trans World Radio promotions and advertisements in Christian periodicals.

During the year achievements have included the expansion of Leadership Support through Project70 where we link UK churches/individuals with sponsored church planters; support for Bible schools and students; transportation for church planters; church building projects; literature projects.

Through our partners we have also continued to support children's work and orphanages; displaced people; widows; summer camps; soup kitchens, Covid-19 emergencies etc.

Just a few specific examples of this work include:

Training Workers

The main focus of SGA's ministry is **Biblical Leadership Training**. The teaching centres run in partnership with local churches scattered throughout 6 countries in Eastern Europe and Central Asia.

Due to Covid-19 SGA staff were unable to travel to the teaching centres. However, a very positive development has taken place where national believers have taken on the responsibility of instructing their own people. This has resulted in Bible teaching continuing during the pandemic restrictions. While UK based pastors will still be used to help supplement SGA staff members teaching in the mission schools, we believe the use of indigenous pastors is a positive move and will increase in the future.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

The Mission has been able to continue funding for Emanuel University, Oradea, Romania; Odessa Seminary, Ukraine and Almaty Bible Institute, Kazakhstan.

Project70

As SGA celebrated its 70th anniversary during 2020, Project70 was launched to mark this special milestone. From the very outset this project was designed to be a front-line project to advance the Gospel. The aim was to send, and support 70 missionary pastors sponsored by churches and individuals in the UK & Ireland. When planning this project, the Mission did not envisage a worldwide pandemic which curtailed opportunities to promote this initiative.

However, at the end of 2020 seventy missionary families were identified for support and fifty-four had sponsorship secured. These were largely from three regions: Ukraine, Far East Russia and Central Asia.

This project is still 'alive' and will be promoted until June 2021. It is anticipated that the number of missionary families supported through project70 may exceed 70!

Church Buildings

Funds provided for Houses of Prayer resulted in one each being dedicated in Moldova and Ukraine. Another building was purchased in Ukraine which requires reconstruction while funds were provided for the restoration of a seriously burned church building in east Ukraine.

Loan for Buildings Fund

The 'Loan for Buildings Fund' was created as another source of financing buildings for ministry in Eastern Europe and Central Asia. This is to address the problem of continual financial dependency upon the western support. This will bring huge public benefit as church buildings, camp facilities etc. can be completed with funds from the 'Loan Fund' and repayment made over an agreed period. During 2020 a loan of £25,000 was provided for Bethlehem Baptist Church, Suceava, Romania.

Widows' Project

Widows' Fund which provides finance for heating, medical needs, food and clothing in Poland, Serbia, Macedonia, Bulgaria, Romania, Moldova, Ukraine and Central Asia was increased by 80% during winter 2020/21.

This account is from Moldova, a country where widows have benefited greatly from this project.

'In this difficult time, Europe and Russia have forgotten about Moldova; only believers still remember and care about us.'

This is how one mayor expressed her deep appreciation of the help provided through SGA's Widows' Project. Peter Mihalchiuk, SGA's Regional Coordinator, shared how he and his team attended gatherings organized jointly by the mayor's office and took place in the village community hall. Two meetings were convened with more than 80 widows present. Everyone listened with great interest and with tears in their eyes as Peter shared. They were in no hurry to leave and asked many questions. All who attended received bags of food. The Mayor later went on to say: *'As long as there are people who love us, we still have hope'*. She asked Peter to convey her gratitude to all who donated funds for this great project. Similar meetings were held in other villages and towns. Praise God that already over 400 widows have received assistance in Moldova, and the programme continues!

Christian Literature

Dr. Ivan Grozdanov (Macedonia) received funds for the reprint of his evangelistic series of booklets 'The 12 Pillars of the Christian Faith'. Finance was also provided to Faclia Editura Publishing House, Romania for the translation, editing and publication of *'Gender Ideology'* by Sharon James. This will be available for a conference on the same subject at Emanuel University.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

East Ukraine Emergency Funding

It is the seventh year of war which at times subsides a little and then flares up with renewed vigour producing a spirit of unforgiveness, hopelessness and disbelief. Economic devastation, social issues and disorder became the main factors that determine life in Donbass today. Millions of people have left the Donetsk and Lugansk areas in a search of a peaceful and stable life, while those who stayed simply did not have the opportunity to leave. It is to these people that aid has been directed for the last six years.

Our partners pointed out that 'people valued the project a lot, and they notice the dedication and are thankful for consistency – over 80% of humanitarian organizations have closed their aid programmes by now.' Ukrainian churches are serving their people by providing food, medicine, warm clothing, heaters, electric kettles, cookers, and other practical helps. SGA has helped to fund such initiatives, and people's physical needs are being addressed.

Covid-19 Response

SGA sought to respond to our many friends as they sought to address and cope with the serious issues raised by Covid-19. Many of our supported missionaries were affected by the uncertainties created by this pandemic. Funds were made available for humanitarian relief efforts in Far East Russia, Central Asia and Moldova in Eastern Europe. The following is a report about the relief effort in Moldova.

Sadly, coronavirus is rampant in communities across Moldova, claiming the lives of many, among whom are pastors and church leaders. Sadly, government-led treatments and vaccinations are a long way off for Moldovans.

Our partners shared how the SGA-sponsored medical teams in Moldova and Ukraine help patients with Covid-19. Due to lack of hospital spaces most of the sick are treated at home. Only people in serious condition are admitted to hospital.

The main problem is testing. Even though a person has medical insurance, free testing is not prescribed until they are hospitalized. The cost of one test is very expensive for an average resident of Moldova - about 40 euros. The other problem is that there is no free medication, and some is quite expensive.

Our teams point out that for many people it is a matter of life or death. They simply cannot buy the drugs they need. Through your generous support SGA has been able to increase funds for the Christian medical teams who are carrying out an amazing ministry.

Radio Ministry

We continued to help fund a radio programme through "Voice of the Gospel", Romania, and assist in the support of "Voice of the Gospel" in Poland. This ministry brings benefit to many who are housebound, those recuperating from illness, or living in isolated areas where there is no church worship available.

SGA sponsored Radio programme 'Power in Persecution' offers much needed encouragement and exhortation for the church in Central Asia.

Strategies

All projects were funded by donations from churches and individuals throughout United Kingdom and Ireland. SGA staff deputation meetings were reduced due to Covid-19. This restricted opportunity to promote SGA's projects and aims.

During the year the charity published three project leaflets, and six 'Response Cards' which accompanied the bi-monthly mail out. They also promoted on-line giving, standing orders and credit card donations. Income from legacies and trusts also provided substantial finance. SGA claimed Gift Aid, where appropriate, which significantly increased income.

All the goals set for projects in Central/Eastern Europe, Central Asia and Far East Russia have been fulfilled through deputation, mail-outs and sponsorship.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Financial review

SGA's financial position on 31 December 2020 continued to be strong. Overall, the levels of income and expenditure for the year were not dissimilar to those of the previous year, excluding income from a generous legacy and substantial Trust income for Project 70.

The financial result for the year shows a surplus of £439,852 (2019: surplus of £174,131), before changes in fixed asset valuations.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained for the following reasons.

- [a] to provide funds which can be designated to specific projects to enable these projects to be undertaken at short notice; and
- [b] to cover administration, fund-raising and support costs without which the charity could not function.

The trustees consider it prudent that designated reserves should be sufficient:

- [a] to avoid the necessity of realising fixed assets held for the charity's use;
- [b] to cover one year's administration fund-raising and support costs; and
- [c] to provide a pool equal to 10% of the average charitable expenditure over the preceding two years from which funds can be designated to specific projects.

The Board of Directors, which meets three times per year, administers the Charity and by this means monitors and ensures that there is sufficient funding to give working capital for the forthcoming quarter. Occasionally a sub-committee may be appointed by the Board of Trustees to complete a particular task and report back to the Board. The Trustees review their strategy and consider how best to use the surplus free reserves.

The level of reserves required to be maintained is around £297,274, which have been designated.

Of the £449,197 remaining in unrestricted funds at the year end, the trustees anticipate that these will be used for increased funding for current projects and planned ministry expansion during 2021/22.

However, the directors are aware of the need to have large sums readily available sometimes for emergency relief and other charitable purposes.

All staff salaries are based on market value and are not performance related.

Reserves policy

Trustees keep under review the need for free reserves which are those unrestricted funds not invested in tangible fixed assets or designated for a specific purpose. Currently, to allow SGA to be managed efficiently and to provide a buffer for adverse contingencies, the Trustees' policy is that such reserves should be maintained at a level of between three and six months expenditure. The level of reserves required to be maintained is around £336,000. This amount excludes the value of all assets as disposing of them could exceed six months.

The Trustees review the major risks that the Charity faces and believe that maintaining the reserves at the level stated will enable the Charity to meet its short term commitments in the event of adverse conditions.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Risk Management

The directors have assessed the major risks to which the company is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The principle financial risk for SGA is of receiving insufficient regular income to pay grants to its partners in Eastern Europe, Central Asia and Far East Russia. SGA limits this risk by regular communication with donors and actively seeking new donors in particular churches and trust funds.

Trustees are aware of other financial risks including possible fraud and have systems in place to mitigate major risks. Cash is handled in both received and distributed gifts. Fraud is countered by two signatories on receipts for all transactions being kept and checked against planned expenditure. Recipients of gifts are known to SGA.

The Trustees also regularly review other operational risks to which the company is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks, which are identified as:

Loss of key staff: Each member of our small staff performs a significant role. Good staff relations and a sense of Divine calling has led to an excellent retention record.

Safety: Staff are briefed on personal safety precautions to be taken while abroad.

SGA continues to develop policies and procedures to manage risk and ensure effectiveness, probity and legal and regulatory compliance.

Data Protection

In view of the new data protection regulations, the Trustees have agreed a revised policy. This policy is available on the Charity's website.

Safeguarding Vulnerable Groups

The Trustees have agreed a policy that outlines the Charity's guidelines and precautions in relation to vulnerable groups who are being provided for or receiving care through funding from SGA.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Project Fund Administration

There will be no administration charge deducted from funds that are allocated for special projects [PFA]. All financial gifts for projects will be sent in their totality.

Key Performance Indicators

There are several measures in place to assess the impact that the charity's activities are having in Eastern Europe, Central Asia and Far East Russia.

- All recipients are held accountable to the Trustees of Slavic Gospel Association for the funds, resources, aid or training they have received and are expected to produce regular reports of their activities and use of any funding.
- In addition, regular visits are made to those partners in receipt of regular funding; occasional visits are made to all other partners in receipt of significant funding or other help to gather and collate information on progress and impact.
- Test, examination and assignment results help monitor the progress of Mission School students. The performance of graduates is monitored by Mission School directors and local church leadership.
- Regular reports from participants funded under Leadership Support help the charity to measure their performance. Also, each person is required to participate in regular financial reviews of their income.
- Beneficiaries from transportation funds are monitored on a regular basis.
- The impact of the charity's Crisis Response ministry is both measured by regular reports and meetings during ministry trips by SGA staff.
- All partners understand that the grants, training or gifts in kind that they receive are in pursuit of the Charity's objectives and are for the benefit of the community they serve.

Investments

The Board of Slavic Gospel Association has ruled that the policy of the charity is to invest funds in the many urgent needs presented on the Field rather than investment managed funds in the UK.

Future Activities

Ministry developments:

- Plans are in place for a new mission school to commence in north Serbia.
- An official request for a new mission school has been received from a group of churches in Dambovita county, Romania.
- An informal mission school request has been received from Turges Mures, Romania.
- To be able to continue the support of our current number of nationals and fund all our ongoing projects in Eastern Europe, Far East Russia and Central Asia at the present level. We will seek to raise these required funds through deputation meetings, publishing 3 project leaflets annually, 'Project Response form' that accompanies the bi-monthly mail out and credit card/on-line giving.
- One year remains of the five year plan for funding 25 students in Almaty Bible Institute and TWR's programme 'Power in Percussion'. An extension of funding will be considered during 2021.
- SGA's partnership with Trans World Radio is developing. Plans are in place for providing and distributing Radios, Media Devices and SD cards in Central Asia.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Publicity:

- The monthly online newsfeed 'Inside Story' will provide relevant and up to date information from the Field.
- The establishment of Phoebe Project is making good progress. It will focus on ladies' ministries or projects directed by ladies. The anticipated launch of this initiative will be during the latter part of 2021. Phoebe Representatives will promote the Phoebe Projects at ladies' events in the UK
- It is felt that plans to upgrade our publicity [magazine and logo] and website will help to connect the Christian public with SGA's ministries.

Structure, governance and management

The company is a company limited by guarantee, company number 00945991, and charity registration number 258253. The flysheet to the accounts gives details of the charity's principle addresses and those of other relevant organisations.

The directors who served during the year are:

Mr A Bennett
Rev W F McCurrie
Mr D Harvey
Mr R A Potts
Mr C J K Smith
Mr E Macdonald
Mr J A Knox
Dr H J Waters
Mr R W Trainer

Trustees are not paid for their service in this role other than expenses and none of the directors has any beneficial interest in the company. A register of Trustees' interests is held to ensure that there are no conflicts of interest and this is updated annually. The directors act as Trustees of the Charity.

The directors are the Council Members to whom the overall responsibility of managing and running the Charity is entrusted. However, Rev D. Maxwell, the General Director is responsible for implementing the vision and strategy agreed by Trustees and the day to day running of the organisation. As a co-opted member of the Council, he reports back at Trustees' meetings. All major policy decisions and those concerning capital expenditure are ratified by the Council who meet every four months with occasional online strategy meetings as required.

The Council Members are encouraged to propose names of possible future members, taking into account the:

- Skills, knowledge and experience
- Location and availability

Informal followed by formal meetings are held with potential members, leading to a decision by Council as to whether such persons are invited to serve. These procedures are accompanied by furnishing the candidate with the History and Aims of SGA, the Doctrinal Statement and the Responsibilities of a Council Member.

A new Council Member is encouraged to undertake further training related to his particular role in the Association.

The company has sister organisations in Australia, Canada, New Zealand and the USA.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Asset cover for funds

Note 19 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.

Auditor

In accordance with the company's memorandum and articles of association, a resolution proposing that Plummer Parsons be reappointed as auditors of the company will be put to the Annual General Meeting.

On behalf of the board of directors

Rev W F McCurrie

Director

Dated: 9 June 2021

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees, who are also the directors of Slavic Gospel Association (British Section) Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law 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, including the income and expenditure, of the charitable company for that year.

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 UK 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 operation.

The trustees are responsible for keeping adequate 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 Companies Act 2006. They 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.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

SLAVIC GOSPEL ASSOCIATION

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

Opinion

We have audited the financial statements of Slavic Gospel Association (British Section) Limited (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities, the statement of financial position, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

SLAVIC GOSPEL ASSOCIATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly, we have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks.

Based on our understanding of the charity and industry, and through discussion with the trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006, Charities Act 2011, Bribery Act 2010, employment law, Coronavirus Jobs Retention Scheme (CJRS), Data Protection Act and GDPR. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as FRS 102 and the Charities Statement of Recommended Practice (SORP). We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

We evaluated management's incentives and opportunities for fraudulent activities in the financial statements (including the risk of override of controls), and assessed that the principal risks could relate to posting journal entries to artificially increase income or reduce expenditure, incorrect claims through the Coronavirus Job Retention Scheme, related party transactions, management bias in accounting estimates and judgmental areas of the financial statements such as the allocation of support cost expenditure. Audit procedures performed by the engagement team included:

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud, and review of the reports made by management; and
- A review of relevant correspondence, including correspondence with HM Revenue & Customs, for signs of potential non-compliance with laws and regulations; and
- A review of specific nominal codes within the accounting records that would highlight costs associated with non-compliance of relevant laws and regulations; and
- Assessment of identified fraud risk factors; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation, as well as throughout the year.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Plummer Parsons

29 June 2021

Chartered Accountants
Statutory Auditor

18 Hyde Gardens
Eastbourne
East Sussex
BN21 4PT

Plummer Parsons is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2020

Current financial year

		Unrestricted funds general 2020 £	Unrestricted funds Designated 2020 £	Total 2020 £	Total 2019 £
	Notes				
<u>Income and endowments from:</u>					
Donations and legacies	3	998,840	446,102	1,444,942	1,144,957
Other trading activities	4	4,949	-	4,949	25,825
Investments	5	3,021	-	3,021	5,628
Other income	6	-	-	-	930
Total income		1,006,810	446,102	1,452,912	1,177,340
<u>Expenditure on:</u>					
Activities for generating funds	7	38,027	-	38,027	78,534
Spreading the Gospel in eastern Europe	8	375,404	599,629	975,033	924,675
Total resources expended		413,431	599,629	1,013,060	1,003,209
Net incoming resources before transfers		593,379	(153,527)	439,852	174,131
Gross transfers between funds		(431,535)	431,535	-	-
Net income for the year/ Net incoming resources		161,844	278,008	439,852	174,131
<u>Other recognised gains and losses</u>					
Other gains or losses	12	1,889	2,416	4,305	(2,880)
Net movement in funds		163,733	280,424	444,157	171,251
Fund balances at 1 January 2020		285,464	1,231,972	1,517,436	1,346,184
Fund balances at 31 December 2020		449,197	1,512,396	1,961,593	1,517,435

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

All income and expenditure derive from continuing activities.

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

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2020

Prior financial year

	Notes	Unrestricted funds general 2019 £	Unrestricted funds Designated 2019 £	Total 2019 £
<u>Income and endowments from:</u>				
Donations and legacies	3	797,525	347,432	1,144,957
Other trading activities	4	25,825	-	25,825
Investments	5	5,628	-	5,628
Other income	6	930	-	930
Total income		829,908	347,432	1,177,340
<u>Expenditure on:</u>				
Activities for generating funds	7	78,534	-	78,534
Spreading the Gospel in eastern Europe	8	385,453	539,222	924,675
Total resources expended		463,987	539,222	1,003,209
Net incoming resources before transfers		365,921	(191,790)	174,131
Gross transfers between funds		(294,067)	294,067	-
Net income for the year/ Net incoming resources		71,854	102,277	174,131
<u>Other recognised gains and losses</u>				
Other gains or losses	12	(2,880)	-	(2,880)
Net movement in funds		68,974	102,277	171,251
Fund balances at 1 January 2019		216,489	1,129,695	1,346,184
Fund balances at 31 December 2019		285,463	1,231,972	1,517,435

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

All income and expenditure derive from continuing activities.

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

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Property, plant and equipment	13		152,224		159,952
Current assets					
Inventories	14	4,555		3,206	
Debtors falling due after one year	15	61,882		50,826	
Debtors falling due within one year	15	89,135		105,999	
Cash at bank and in hand		1,664,125		1,209,217	
		<u>1,819,697</u>		<u>1,369,248</u>	
Current liabilities	16	<u>(10,328)</u>		<u>(11,765)</u>	
Net current assets			1,809,369		1,357,483
Total assets less current liabilities			<u>1,961,593</u>		<u>1,517,435</u>
Income funds					
Unrestricted funds - Designated			1,512,396		1,231,972
Unrestricted funds - general			449,197		285,463
			<u>1,961,593</u>		<u>1,517,435</u>

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, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors 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 under the requirements of the Companies Act 2006, 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 Trustees on 11 June 2021

Rev W F McCurrie
Trustee

Mr C J K Smith
Trustee

Company Registration No. 00945991

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash generated from operations	20		451,887		90,788
Investing activities					
Purchase of property, plant and equipment		-		(6,713)	
Proceeds on disposal of property, plant and equipment		-		2,501	
Investment income received		3,021		5,628	
Net cash generated from investing activities			3,021		1,416
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			454,908		92,204
Cash and cash equivalents at beginning of year			1,209,217		1,117,013
Cash and cash equivalents at end of year			<u>1,664,125</u>		<u>1,209,217</u>

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

Slavic Gospel Association (British Section) Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 22 Little Church Street, Rugby, Warwickshire, CV21 3AW.

1.1 Accounting convention

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

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

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 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 trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the directors for specific purposes. The purposes and uses of the designated funds are set out in the notes to the accounts.

1.4 Income

Income is recognised when the charity 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 charity's income consists of voluntary income, income from charitable activities and investment income.

The charity is not registered for VAT.

Cash donations are recognised on receipt. Other donations are recognised once the charity 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 in the period of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Income from grants and contracts is recognised when the charity has entitlement to the funds, any performance conditions have been met, it is probable that income will be received and the amount can be measured reliably and is not deferred.

Fundraising and trading income consists of monies generated from the sale of books, CD's and cards, as well as registration fees from delegates at the Charity's annual supporters conference. This is also recognised as income when receivable.

Investment income is wholly bank and stock interest generated and is recognised in the SoFA when receivable.

1.5 Expenditure

All expenditure is incurred in pursuit of the Charity's objects as laid down in the Memorandum and Articles of Association and is recognised in the accounts when payable.

The Charity's accounting system is designed to trace general fund expenditure and distinguish it from that directly attributable to a project. All expenditure incurred on designated funds (see analysis at note 8) is treated as direct charitable expenditure for charitable activities.

General fund expenditure is allocated to 5 broad headings of Administration, Promotions, Council Expenses, Eastern European Field and UK Home.

Administrative expenditure is treated as support costs for charitable expenditure whilst promotions costs are shown as costs of generating voluntary income as these relate to the production of promotional material.

Council expenses are the costs of holding regular council meetings including re-imbursing travelling expenses of the council members and these are included as governance costs. Governance costs also includes fees of the auditors to meet external scrutiny requirements.

Eastern European Field expenditure is treated activities undertaken directly for charitable activities.

UK Home expenditure is split between costs of generating voluntary income and activities undertaken directly for charitable activities as it includes the costs of representatives who also make trips to eastern Europe.

1.6 Property, plant and equipment

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

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

Buildings	Straight line over fifty years
Computer equipment	25% Reducing balance
Fixtures and fittings	15% Reducing balance
Motor vehicles	25% Reducing balance

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.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

During the previous year, it was deemed appropriate that land be depreciated at 0%. 25% of the Land and Buildings value has been appropriated to land and the cumulative effect of the historic depreciation has been reversed. This is considered as a change of estimate, being a change in depreciation rate.

Tangible fixed assets are capitalised if they can be used for more than 1 year and cost at least £1,000.

1.7 Impairment of non-current assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible 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).

1.8 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

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

1.9 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.

1.10 Financial instruments

The charity 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 charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

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

Basic financial assets

Basic financial assets, which include 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.

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
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, 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 receipts discounted at a market rate of interest. 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. Accounts 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 charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any material 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 charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Foreign exchange

Transactions denominated in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All differences are included in net outgoing resources.

1.14 Loans issued

Loans are occasionally issued to supported projects in Eastern Europe. These funds are repayable over a set term and no interest is charged. The amounts recoverable are included as Receivables in the accounts.

If in the future the trustees decide not to request repayment of these amounts, they will be written off as grants paid under Direct Charitable Activities.

2 Critical accounting estimates and judgements

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

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

SLAVIC GOSPEL ASSOCIATION (BRITISH SECTION) LIMITED
SLAVIC GOSPEL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

3 Donations and legacies

	Unrestricted funds general 2020 £	Unrestricted funds Designated 2020 £	Total 2020 £	Unrestricted funds general 2019 £	Unrestricted funds Designated 2019 £	Total 2019 £
Donations and gifts	424,081	439,120	863,201	450,440	347,432	797,872
Legacies receivable	510,669	6,982	517,651	347,085	-	347,085
Government furlough grants	64,090	-	64,090	-	-	-
	<u>998,840</u>	<u>446,102</u>	<u>1,444,942</u>	<u>797,525</u>	<u>347,432</u>	<u>1,144,957</u>
Donations and gifts						
Donations and gifts	286,340	313,596	599,936	228,158	291,889	520,047
Donations from trusts	37,850	75,251	113,101	62,950	1,755	64,705
Gift aid recovered	28,025	33,335	61,360	26,364	32,788	59,152
Conference offerings	26,556	1,805	28,361	49,254	-	49,254
Donations to fulltime staff	42,548	14,282	56,830	79,291	20,633	99,924
Donations to voluntary representatives	2,762	851	3,613	4,423	367	4,790
	<u>424,081</u>	<u>439,120</u>	<u>863,201</u>	<u>450,440</u>	<u>347,432</u>	<u>797,872</u>

Legacies which are expected but which do not meet the recognition criteria for Legacies Receivable. are considered as Contingent Assets. As these amounts generally can't be valued with reasonable certainty, these are not separately disclosed.

4 Other trading activities

	Unrestricted funds general 2020 £	Unrestricted funds general 2019 £
Conference expenses	-	13,743
Sale of books, CDs and cassettes	4,949	12,082
	<u>4,949</u>	<u>25,825</u>

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8 Spreading the Gospel in eastern Europe

	Spreading the Gospel in eastern Europe 2020 £	Spreading the Gospel in eastern Europe 2019 £
Direct costs	599,631	539,221
Telephone	816	893
Printing, postage, stationery and computer costs	109	270
Motor	2,423	4,625
Sundry expenses	1,025	-
	<u>604,004</u>	<u>545,009</u>
Share of support costs (see note 9)	359,296	361,051
Share of governance costs (see note 9)	11,733	18,615
	<u>975,033</u>	<u>924,675</u>
Analysis by fund		
Unrestricted funds - general	375,404	385,453
Unrestricted funds - Designated	599,629	539,222
	<u>975,033</u>	<u>924,675</u>

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9 Support costs

	Support costs	Governance costs	2020	Support costs	Governance costs	2019
	£	£	£	£	£	£
Staff costs	326,599	-	326,599	327,113	-	327,113
Depreciation	7,726	-	7,726	9,528	-	9,528
Direct costs	534	-	534	2,286	-	2,286
Rent and rates	1,315	-	1,315	1,276	-	1,276
Insurance	2,652	-	2,652	2,469	-	2,469
Light and heat	1,020	-	1,020	948	-	948
Repairs and maintenance	144	-	144	137	-	137
Telephone	1,645	-	1,645	2,357	-	2,357
Printing, postage, stationery and computer costs	20,179	-	20,179	19,113	-	19,113
Motor and travel	8,207	-	8,207	17,829	-	17,829
Sundry expenses	4,159	-	4,159	4,500	-	4,500
Audit fees	-	6,481	6,481	-	6,502	6,502
Accountancy	-	5,252	5,252	-	9,507	9,507
Trustees' meeting costs	-	-	-	-	2,606	2,606
	<u>374,180</u>	<u>11,733</u>	<u>385,913</u>	<u>387,556</u>	<u>18,615</u>	<u>406,171</u>
Analysed between						
Fundraising	14,884	-	14,884	26,505	-	26,505
Charitable activities	359,296	11,733	371,029	361,051	18,615	379,666
	<u>374,180</u>	<u>11,733</u>	<u>385,913</u>	<u>387,556</u>	<u>18,615</u>	<u>406,171</u>

During the year payments were made to the auditor of £6,481 (2019: £6,502) for audit services and £5,252 (2019: £9,507) for non-audit services.

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, and during the year none were reimbursed for any expenses (2019 - 4 were reimbursed for £1,020 of expenses) to cover travelling expenses incurred on charity business.

Total donations received from directors, key management personnel and their related parties, amounted to £21,745 (2019: £14,985).

There are no other related party transactions requiring disclosure.

The charity was under the control of the directors throughout the year.

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11 Employees

The average monthly number of employees during the year was:

	2020	2019
	Number	Number
Mission team members/Field workers	7	7
Administration and promotion	3	3
	<u> </u>	<u> </u>
Total	10	10
	<u> </u>	<u> </u>

Employment costs	2020	2019
	£	£
Wages and salaries	272,879	271,428
Social security costs	24,012	25,697
Other pension costs	29,708	29,988
	<u> </u>	<u> </u>
	326,599	327,113
	<u> </u>	<u> </u>

The total remuneration paid to key management personnel was £37,576 (2019: £33,004).

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

12 Other gains or losses

	Unrestricted	Unrestricted	Unrestricted
	funds	funds	funds
	general	Designated	general
	2020	2020	2019
	£	£	£
Foreign exchange gains	(1,889)	(2,416)	2,880
	<u> </u>	<u> </u>	<u> </u>

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13 Property, plant and equipment

	Buildings	Computer equipment	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2020	151,498	6,713	48,797	68,763	275,771
At 31 December 2020	<u>151,498</u>	<u>6,713</u>	<u>48,797</u>	<u>68,763</u>	<u>275,771</u>
Depreciation and impairment					
At 1 January 2020	13,635	1,678	48,115	52,393	115,821
Depreciation charged in the year	2,272	1,259	102	4,093	7,726
At 31 December 2020	<u>15,907</u>	<u>2,937</u>	<u>48,217</u>	<u>56,486</u>	<u>123,547</u>
Carrying amount					
At 31 December 2020	<u>135,591</u>	<u>3,776</u>	<u>580</u>	<u>12,277</u>	<u>152,224</u>
At 31 December 2019	<u>137,864</u>	<u>5,035</u>	<u>683</u>	<u>16,370</u>	<u>159,952</u>

All tangible fixed assets are for charitable use other than a small quantity of office equipment used in administration.

14 Inventories

	2020	2019
	£	£
Finished goods and goods for resale	4,555	3,206
	<u>4,555</u>	<u>3,206</u>

15 Trade and other receivables

	2020	2019
	£	£
Amounts falling due within one year:		
Trade receivables	64,854	85,445
Other receivables	16,835	11,382
Prepayments and accrued income	7,446	9,172
	<u>89,135</u>	<u>105,999</u>

	2020	2019
	£	£
Amounts falling due after more than one year:		
Other receivables	61,882	50,826
	<u>61,882</u>	<u>50,826</u>
Total debtors	<u>151,017</u>	<u>156,825</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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16 Current liabilities

	2020	2019
	£	£
Trade payables	638	2,066
Accruals and deferred income	9,690	9,699
	<u>10,328</u>	<u>11,765</u>
	<u><u>10,328</u></u>	<u><u>11,765</u></u>

17 Retirement benefit schemes

Defined contribution schemes

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

The charge to profit or loss in respect of defined contribution schemes was £29,708 (2019: £29,988).

18 Analysis of net assets between funds

	Unrestricted funds	Designated funds	Total	Unrestricted funds	Designated funds	Total
	2020	2020	2020	2019	2019	2019
	£	£	£	£	£	£
Fund balances at 31 December 2020 are represented by:						
Property, plant and equipment	-	152,224	152,224	-	159,952	159,952
Current assets/ (liabilities)	449,197	1,360,172	1,809,369	285,463	1,072,020	1,357,483
	<u>449,197</u>	<u>1,360,172</u>	<u>1,809,369</u>	<u>285,463</u>	<u>1,072,020</u>	<u>1,357,483</u>
	<u><u>449,197</u></u>	<u><u>1,512,396</u></u>	<u><u>1,961,593</u></u>	<u><u>285,463</u></u>	<u><u>1,231,972</u></u>	<u><u>1,517,435</u></u>

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19 Designated funds

The income funds of the charity include the following project funds which have been partly funded by specified donations and partly by monies set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2020 £	Receipts £	Payments £	Movement in funds		Balance at 31 December 2020 £
				Fund transfers £	Revaluations, gains and losses £	
Support of East European Ministries	45,281	26,599	(20,126)	-	2,416	54,170
Support of Mission Schools	10,308	9,506	(48,037)	80,000	-	51,777
East European Leadership Support	340,754	275,375	(274,399)	60,000	-	401,730
Literature Ministries	34,000	9,112	(19,954)	20,000	-	43,158
Radio Ministries	21,858	4,911	(12,800)	15,000	-	28,969
Vehicles for Eastern Europe	43,336	3,738	(8,149)	-	-	38,925
Widows Project	7,354	51,420	(40,510)	20,000	-	38,264
Special Projects	218,263	65,440	(175,654)	290,000	-	398,049
Media/Website	10,080	-	-	-	-	10,080
Loans issued	150,000	-	-	-	-	150,000
	<u>881,234</u>	<u>446,101</u>	<u>(599,629)</u>	<u>485,000</u>	<u>2,416</u>	<u>1,215,122</u>

The Project Fund payments as shown in this note include monthly contributions to General Funds for management and administration costs directly attributable to the work. These are provided at a maximum of 15% (9% admin. plus 6% publicity) on all gifts. The total transferred in this way is shown in notes 7 and 9 above.

Transfers between the project and emergency funds represent monies which have been utilised from General funds to cover the work carried out towards these individual projects.

Each of the items listed above represents an area of activities that the charity supports within Eastern Europe. Together these funds for the "Project Funds" which the charity operates. These are as a result of donations given for use towards a particular project, but for which the charity retains ultimate discretion as to its application. The transfers into these funds represent monies from General Funds to cover deficits on individual funds, as well as additional monies set aside by the trustees for use towards these projects.

Other Designated Funds

Emergency fund	190,788	-	-	(45,739)	-	145,049
Tangible fixed assets	159,951	-	-	(7,726)	-	152,225
	<u>1,231,973</u>	<u>446,101</u>	<u>(599,629)</u>	<u>431,535</u>	<u>2,416</u>	<u>1,512,396</u>

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19 Designated funds

(Continued)

In order to increase the accuracy of the presentation of the financial status shown in the accounts, it has been decided by the Trustees to designate funds to the value of the tangible fixed assets. This is to reflect the restrictions that the assets impose upon the funds held; the money tied up in the property is not free to be spent without the assets being sold to realise these funds.

Monies have also been designated to retain sufficient funds to meet the charity's obligations should further funds not become available. The justification of this amount is as follows:

- To avoid the necessity of realising fixed assets held for the charity's use (see details above);
- To cover one year's administration, fund-raising and support costs;
- To provide a pool equal to 10% of the average charitable expenditure over the preceding two years from which the funds can be designated to specific projects.

Transfers to/from the Fixed asset fund represent the net movements on the tangible fixed assets during the year.

20 Cash generated from operations	2020	2019
	£	£
Surplus for the year	439,852	174,131
Adjustments for:		
Investment income recognised in statement of financial activities	(3,021)	(5,628)
Foreign exchange differences	4,305	(2,880)
Gain on disposal of property, plant and equipment	-	(930)
Depreciation and impairment of property, plant and equipment	7,726	9,528
Movements in working capital:		
(Increase)/decrease in inventories	(1,346)	1,152
Decrease/(increase) in trade and other receivables	5,808	(76,383)
(Decrease) in trade and other payables	(1,437)	(8,202)
Cash generated from operations	451,887	90,788

21 Analysis of changes in net funds

The charity had no debt during the year.