

# **Mission Without Borders**

## **Annual Report and Financial Statements**

31 December 2021

Company Limited by Guarantee

Company Registration Number  
01065601 (England and Wales)

Charity Registration Number  
270659

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## Reference and administrative information

<b>Trustees</b>	M Thomas (Chairman) P Broad M Waldy (resigned 18 August 2021) S Young (Vice-Chairman & Treasurer)
<b>National director</b>	J Chamberlain
<b>Company secretary</b>	S Young
<b>Registered office and operation address</b>	175 Tower Bridge Road London SE1 2AG
<b>Bankers</b>	National Westminster Bank plc 1 Princes Street London EC2R 8BP  Scottish Widows 67 Morrison Street Edinburgh EH3 8YJ
<b>Auditor</b>	Buzzacott LLP 130 Wood Street London EC2V DL
<b>Solicitors</b>	Wellers Law Group 65 Leadenhall Street London EC3A 2AD

### Chairman's Statement

*"Those who hope in the Lord will renew their strength. They will soar on wings like eagles; they will run and not grow weary, they will walk and not be faint". Isaiah 40 v31*

These verses are a wonderfully uplifting reminder of the need to look to God when we feel tired or overwhelmed by difficulties. It has been an extraordinary year with the continued demands of the COVID-19 pandemic on the running of our services as well as the challenges imposed by the conflict in the Ukraine, starting soon after the year end.

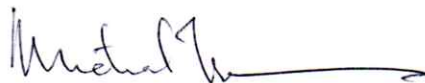
Our dedicated teams in Eastern Europe have worked exceptionally hard and helped support over 28,515 people in the last year. We have been able to establish new work in communities in Albania, Bosnia and Herzegovina and Bulgaria as well as further developing work and relationships in Eastern Ukraine with children, families, the elderly and disabled. We were also delighted to see Mission summer and day camp numbers back to pre-pandemic levels with 6,700 children attending.

While Mission Without Borders International is an international group of charities with a presence in eighteen countries, our operational programs and ministry work is focused on Eastern Europe where we have been working for over 60 years. All our staff are local to the countries we operate in, they have a deep understanding of and are trusted by those we serve. In many cases staff live in the communities they work in and so have grown up facing the same challenges as the people they're helping. This same connectedness is also seen in over 339 partnerships we now have with local churches and fellowships in these communities which ensure we are stronger together.

I have also been encouraged by the centrality of prayer in all we have undertaken this year, from Board meetings to individual team devotions as well as regular zoom meetings involving all our staff and our annual International Day of Prayer with friends and supporters from across the world. It was inspiring to see the strong response from UK individuals and churches to the launch of devotional materials – *27 Days, 27 Stories* - the Mission produced for Advent in 2021 as part of our Operation Christmas Love campaign.

The work of Mission Without Borders is truly inspiring so I would like to express my thanks to the many donors, churches, charitable trusts and companies who have helped us in the last year. Our total income grew by 26% - a remarkable achievement – enabling the lives of thousands of children and families living in poverty to be transformed.

Thank you for your ongoing partnership in this work. We continue to journey with the most vulnerable, always seeking to share the hope that is found in Jesus Christ.



Michael Thomas

## Trustees' report 31 December 2021

The trustees, who are also directors for the purposes of the Companies Act, have pleasure in presenting their report and the financial statements of Mission Without Borders for the year ended 31 December 2021.

This report has been prepared in accordance with Part 8 of the Charities Act 2011 and constitutes a directors' report for the purposes of company legislation.

The financial statements have been prepared in accordance with the accounting policies set out on pages 30 to 36 and comply with the charitable company's memorandum and articles of association, applicable laws 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 United Kingdom and Republic of Ireland (FRS 102).

### **Purpose of the charity**

**The vision of Mission Without Borders is of “*Lives transformed across generations with hope for the future.*”**

We act as a catalyst for change in people's lives, showing compassion and empathy to all people regardless of their ethnic background or religious beliefs, and helping them plan their own programme of support that recognises their dignity and helps build better capacity for self-sustainability.

### **Mission Statement**

Mission Without Borders is an international network of Christians who journey with the poor and marginalized, bringing practical and spiritual support with hope of a better future, enabling and encouraging people to lift themselves out of poverty, always sharing the hope that is found in Jesus Christ.

### **Values and behaviours**

Detailed information on our Values may be seen on our website [www.mwbuk.org](http://www.mwbuk.org)

## Geographical reach

Mission Without Borders is an independently registered charity that works within a global network of MWB charities operating in eighteen countries across the world. The UK charity is one of twelve fundraising affiliate offices which raises awareness and funds to support our work carried out in Albania, Bosnia-Herzegovina, Bulgaria, Moldova, Romania and Ukraine. We exist to reach people for Christ and to provide sustainable solutions to poverty in these countries and income generated by the UK office is a contribution to the overall operations of the global Mission. As MWB works under a global remit, this report refers to the overall programme activities of the Mission and those specific to the UK.

## Annual Review of Activities



# POVERTY IN EASTERN EUROPE

60% of our  
Ukrainian  
Beneficiaries  
have no inside  
toilet

85% of our  
Moldovan  
Beneficiaries  
have no running  
water

90% of  
Bulgarian  
Beneficiaries are  
without a stable  
job

A close-up photograph of a young green seedling with two leaves, each covered in water droplets, growing out of a mound of dark, rich soil. The background is a soft, out-of-focus green.

MWB supplied 23,000 tomato, 16,000 pepper, and 13,000 cabbage plant seedlings to help vulnerable people in rural communities thrive in 2021

## Annual Review of Activities

### ***Family and Child Sponsorship***

During 2021, Mission Without Borders provided direct and immediate help to 6,100 families as part of our Families in Crisis programme. As well as providing immediate care to those in need, the Mission is committed to long-term material, emotional and spiritual care, to help vulnerable children and families we serve flourish, principally through our sponsorship programmes. This support is wide-ranging from food or hygiene parcels, firewood for fuel, clothing and furniture through to after-school clubs for children and vocational and university scholarships. Education is major breaker in the poverty cycle enabling children and adults to flourish and give-back to their local communities. Projects supporting families towards self-sufficiency through donating cultivators, mini tractors, carpentry, and agricultural tools as well as seeds to grow crops for feeding the family have also expanded this year, along with the number of people in the UK signing up to a child or family sponsorship which grew by 18%.

### ***Planting seeds of hope for future harvest***

UK supporters generously provided gifts of over £31,000 towards our *Seeds of Hope* Easter Appeal in 2021, including gifts from 235 new donors, more than doubling giving to this appeal on 2020. As a result of this generous giving, 300 families benefitted from vegetable plant seedlings in 2021. It means families will have vegetables on the table until autumn as well as selling produce down at the local market for income.

Moldova is an agrarian country with more than half of its population made up of rural residents, such as the Cemurtan family. Maria and Mihai Cemurtan are parents of six children and depend heavily on what they grow.

***“Where we live, the soil isn’t much good for cultivation, and often the drought makes it even more difficult. We received tomato and pepper plant seedlings from the Mission,”*** Maria comments, ***“So, I took some good soil from my parents’ yard and the lake and carried it home in the horse-and-cart and put together a greenhouse. The cover retains moisture and it doesn’t require as much water.”***



Maria knows her work is not in vain, hoping that with God's help, her efforts will be rewarded. ***“As they ripen, we pick them and eat them fresh. The tomatoes are always eagerly awaited. The peppers are used in so many dishes. We also make salads and tinned mixes.”***

## Annual Review of Activities (continued)

### ***Planting seeds of hope for future harvest (continued)***

More than 75% of the children and families that Mission Without Borders (MWB) supports in Moldova live in villages where there is a severe lack of job opportunities. Agriculture remains the main source of food and income. For most people, what they plant in the ground is their main source not only of income, but of survival. Supporting families with high quality seeds and seedlings means a lot to these villagers.



Planting seedlings in their greenhouse

***“Good seeds are expensive,”*** said Tatiana, MWB’s Field Programme Manager in Moldova. ***To support them in growing crops, we purchase seeds wholesale and grow them in our greenhouses before we deliver them to families.”***

Teamwork between MWB and local villagers is crucial - the Mission sows, they water, and together we grow the fruit that brings hope for the whole year, even in the midst of drought and poverty. Thanks to wonderful gifts of supporters, 213 vulnerable families became self-sufficient throughout 2021, and we hope to help many more in 2022.

# OPERATION CHRISTMAS LOVE

42,000 Operation Christmas Love Parcels were delivered to families, and the vulnerable over Christmas 2021, including 9,500 that were distributed to people in Ukraine.



## Annual Review of Activities (continued)

### ***Reaching the Donbas through Operation Christmas Love***

The COVID-19 pandemic brought continuing hardship for many in Eastern Europe during 2021, increasing the number of people who are food-insecure across the region, and forcing some to choose between eating and paying bills. Christmas is a time when this comes to a head – while for many this is a time for celebration, for those who live on the poverty line it is a time where, unable to provide for their families, they can feel most isolated.

Thanks to very generous support from both new and existing UK donors, and supporters worldwide, the Mission has been able to expand its work over this critical Christmas period and provide more people than ever with much needed supplies to give them the opportunity to eat well and celebrate Christmas. UK supporters raised over £90,000 in support of our Operation Christmas Love Appeal. In total, MWB were able to supply a record 42,000 boxes of essential food, treats, and Christian literature to families and individuals across our six field countries including 9,000 parcels which were sent to Ukraine.

The conflict in the Donbas region began in 2014 and has added an economic burden on a country already suffering from increased poverty. In 2021, Ukraine became the poorest country in Europe and by the end of the year many people had been displaced in the Donbas region with our team reporting increased social problems.

The Mission has been working in the Ukraine for over 30 years and despite the escalating conflict with Russia we are committed to the people of the Ukraine who have lost loved ones and are facing terrible levels of poverty, conflict and inadequate housing.

Pastor Oleg, our MWB Coordinator in the Eastern region, is working with are the Malkovas. Sadly, the father is an alcoholic and abusive. The family now face a further tragedy as their mother, Alyona, is dying of a rare illness, which has left her partly paralysed, confined to bed and unable to speak.

Amazingly, her eldest daughter, Karina, can understand the sounds her mother makes and translates them into words. Karina stays by her mother's side through the long nights when she screams with pain and cannot sleep. Her favourite hobby is attending a boxing club, and it's hard not to feel this is to equip her to protect herself and her siblings from their abusive father.

Along with much-needed food parcels and material support, the Mission team has tried to bring spiritual hope to the family. Alyona asks Pastor Oleg to pray for her healing. This beautiful young mother so wants to walk again and hold her baby.

MWB and the local church will continue to support the Malkova family and others like them facing such darkness and despair. As the war continues, we are determined to continue to reach out to help more children and families than ever before and distribute boxes of food and hygiene items to as many as we can.



Pastor Oleg Serbo delivering OCL parcels to Eastern Ukraine



***Breaking the cycle of poverty with After School Clubs, Education and Scholarships***

Education and Employment remains a significant challenge in the countries we work in. High levels of adult illiteracy inhibit employment opportunities, contribute to large numbers of adults without stable work and greatly limit the potential for children and families to climb out of chronic poverty.

Mission Without Borders works to combat this by supporting the education of children and adults through our sponsorship schemes, through After-School clubs, and through a combination of vocational courses and scholarships, giving these children an opportunity to break the cycle of poverty. In 2021, the Mission supported 7,657 children and 2,070 families through its sponsorship schemes and provided 7,608 backpacks filled with essential school materials. 450 children also attended our After-School clubs and the Mission helped 683 students through vocational courses and scholarships – 107 of whom were from Bulgaria.

This issue is particularly serious in Bulgaria: poverty here among children with low skilled parents is 15 times higher than it is among children with high-skilled parents. The school dropout rate of children is estimated at 50% and adult illiteracy is 40%.

16-year-old Binka is from a Roma community in the town of Gotse Delchev in Bulgaria. ***“If Binka does not study, she won’t have a profession and the only thing she’ll be able to do is cleaning or sweeping the streets”, her father says. “Many Roma girls marry young, at 13 years old, because there aren’t any other options for them. I want a different future for Binka – I want her to finish her education before she gets married.”***

## Annual Review of Activities (continued)

### ***Breaking the cycle of poverty with After School Clubs, Education and Scholarships (continued)***

To help Binka achieve her dream of becoming a cook, the Mission provided her with scholarship, enabling her to attend a vocational high school, where she is training to become a chef. In her spare time, she also volunteers to help distribute the Mission's monthly food and hygiene packages.

***"There is permanent lack of qualified cooks in the area, so the prospects of finding a job are good" says Binka. "I also plan to continue as a volunteer for MWB local projects. I want to be a good example to other Roma children that you can move on in life."***



Binka with her books

Ylian is from Krupnik, a village in south-western Bulgaria. ***"When we first met him, Ylian was extremely uncommunicative, withdrawn and reserved, a boy with a poor self-image",*** said Emil Metodiev, the MWB staff member who supports the family. ***"He was doing badly at school. We worked closely with him, inviting him to join in the activities at church – and that brought incredible change. His whole personality changed. He became more outgoing, open and sociable."***

As Ylian draws near to finishing high school, he hopes to continue his studies at university.

***"When I was in high school, I became really interested in fitness and in strength training".*** To help Ylian, he was offered a scholarship from MWB as it will give him good career opportunities. ***"We put Ylian forwards for a MWB scholarship not only because his family needed the financial help to send him to university, but also because he is so active in the way he serves others. His enthusiasm makes him such an encouragement to us and he's a good role model for others to follow",*** explained Emil.



Ylian helping with MWB's agricultural project

For his parents it was a dream come true and Ylian, who is in his first year, said, ***"I am very thankful to God and the sponsors of MWB for this scholarship. Without it, I would have had to get a part-time job which would've been very difficult as I'm busy the whole day at university. I'm so happy to be a university student. It is a dream come true."***



## PARTNERS & VOLUNTEERS

Mission Without Borders partnered with 339 churches in 2021, and 1320 volunteers provided help with completing MWB's field work.

## Annual Review of Activities (continued)

### ***Faith in action through church partnerships***

For more than 60 years, Mission Without Borders has been building relationships with partners in Eastern Europe, and nowhere has this been more important than with local churches. In 2021, we increased the number of our partner churches to 339, strengthening them in their mission and outreach. Churches on the ground are often well placed to extend a helping hand to those who are in great need in a community, even in rural areas. One example would be in the village of Dabnitsa, Bulgaria where almost everyone in this Roma community live in deep poverty.

Anton and Lyubka Karagyzov-Stefanova live in a one-roomed house with their son, Nikolay, and daughter, Slavina. Like almost everyone else in the village, the Karagyzov-Stefanova family have no bathroom or toilet.

***“This family is one of the poorest in the community,”*** said the local pastor, Misho.



The Karagyzov-Stefanova family in their home

Before he became disabled, Anton worked in the construction business and managed well, but after he suffered a stroke, they now need to rely on their son Nikolay, 24, to be the main breadwinner. Anton's medication is expensive, and there are times when most of Nikolay's salary is spent just on medicine. Lyubka also works when there are jobs she can do for the neighbours. Slavina, 13, attends school, but often misses classes due to a lack of shoes or clothes.

Lockdown restrictions during Covid meant that Nikolay lost his job and had to take out loans to pay for his father's medicine.

***“One day when I was at home I heard someone crying outside,”*** said Misho. ***“I looked out of the window and saw Lyubka coming towards our house crying”***. After a glass of water Lyubka told us, ***“It's very hard to find food for my family. We are starving. Can you help us? So my wife and I decided to buy food and bring it to their small home”***.



Pastor Misho in front of the Karagyzov-Stefanovas home

## Annual Review of Activities (continued)

### ***Faith in action through church partnerships (continued)***

Misho himself grew up in poverty in this village – and his character and outlook have been deeply shaped by his experiences. Since Misho became a Christian 20 years ago, he has remained in the village where he was born and raised, serving his neighbours, speaking to them about his faith and showing them God's love in practical ways.

***“When some of my fellow Roma brothers come to me and share their difficulties, I know what they’re talking about as I’ve been through that myself,” Misho said. “I know what it is to go to bed hungry or to have no shoes on a cold winter day. The material aid from Mission Without Borders is great, but even greater is the spiritual and emotional support we receive. We feel we’re not alone.”***

The Karagyzov-Stefanova family are now on the family sponsorship programme and receive regular food and hygiene parcels, as well as support from Ventsislav, the MWB staff member who works with families in Dabnitsa. ***“Every time I visit them, Anton always wants a chat”, says Ventsislav. He is bedridden and has no social contacts and is always happy when someone takes the time to talk to him”.***

Life has always been very difficult for the Roma, but it became even harder after the coronavirus pandemic. The borders were closed and many Roma who relied on temporary work abroad lost their jobs. It was no longer possible to do agricultural work in Greece, the closest foreign country where it is common for Roma to find jobs. And in Bulgaria, it is difficult for Roma to secure employment because of deep-rooted prejudice.

In the midst of these circumstances, Misho, Ventsislav and MWB continue to do all they can for the people of this village. MWB has been providing masks to support Roma people in the village who had none. Ventsislav said, ***“During the quarantine period when masks were obligatory, the family said they couldn’t afford to buy them. At that time, volunteers at our community centre in Gotse Delchev were sewing masks and delivering them to the people we support”.***

Misho added, ***“Our hope is in Jesus, and we are bringing that hope to this community. Years ago, the believers in this village felt too ashamed to share their problems publicly in church but now they speak openly about their troubles and ask for support in prayer”.***

***“The church as a whole is now more concerned about others and extends a helping hand to those in need. Due to the work of the believers, the Roma in our village have become harder-working and caring towards their families and each another.”***

## OUTREACH across EASTERN EUROPE



4,261 adults we work with began going to church in 2021, and 266 adults committed their lives to Christ.

## Annual Review of Activities (continued)

### ***Bringing hope through Christian outreach***

At its heart, Mission Without Borders is a Christian charity, founded in 1960 to support the persecuted Church across the Iron Curtain, in response to a challenge made by a pastor in the USSR to, "Put Bibles into Eastern Europeans' empty hands to reach our own people."

The collapse of the Soviet Union in 1991 resulted in a focused shift of the Mission's work away from the persecuted Church to the support of vulnerable groups in some of the poorest countries of Eastern Europe. We are committed to the long-term material, emotional and spiritual care of children, families and the vulnerable, irrespective of their beliefs, race, or sexuality, working closely in partnership with the local church. As part of our core mandate to provide long-term spiritual care, we run a number of Christian Input activities throughout the year, including Bible Correspondence Courses for children and adults, Alpha Courses, Summer Camps, and events around Christmas and Easter. After a year in which people suffered from the effects of the pandemic, 2021 saw an increased numbers of the adults we work with going to church and committing their lives to Christ.

For many children and young people, the Mission's Summer Camps form one of the highlights of the year. Summer Camps are places where they can take a break from the hardship of life at home, where they can develop new friendships, enjoy crafts and sports together, eat good food, and share their home concerns with staff. Mission Without Borders is passionate about giving young people unforgettable memories, the opportunity to learn basic life skills and just have a great time of fellowship and fun, especially after the challenges of the pandemic over the past eighteen months.



Fellowship and fun at Summer Camp

The camps are also a time, for young people like Cristi, to have their lives changed by the Gospel. Cristi, grew up in poverty with parents who struggled with alcohol addiction. To add to his problems, he has also struggled with health problems ever since he was beaten as a child. Because of this he has muscle problems and has become unable to walk.



Cristi at home with his Bible

## Annual Review of Activities (continued)

### ***Bringing hope through Christian outreach (continued)***

Summer camps were a life-changing time for Cristi. He made new friends, and he really liked the food, the games and the Bible lessons. He encountered Jesus not only through Bible teaching, but also through the love demonstrated by the staff and volunteers. Even with his ongoing hardships of life, Cristi received Jesus into his life.

He says he won't ever forget his meeting with Jesus at camp. ***"It was the most special moment I ever had,"*** he told our team. MWB Coordinator, Valentina, explained, ***"Emanuel, the sports instructor, helped him out when he had problems with his legs and wanted to go to the birthday party held for all the children. He'd said, 'I can't move, I need some time for my muscles to let me walk again, but I want to get there for the big party", so Emanuel carried him there on his back"***.

Summer camp is a wonderful thing – for the staff team and volunteers, but most importantly for the children who come from families struggling with various problems. At MWB's summer camps, the children experience a sense of safety and love, tasty food, fun games, new friends, and most of all – they hear about the love of God.

In 2020, the pandemic meant that we were unable to run our full programme of Summer Camps, so as we went into 2021, we had to field questions from children and their parents about when and if they were going to happen. Thankfully, due to generous support received, we held Summer and Day Camps in all six countries we work in with 6,711 children attending.

### ***Giving with love and purpose***

**The generous support of individuals is vital to enable us to respond to God's call to love our neighbour and care for the poor. Inspiring more people to join us through giving is a key part of our mission.**

We are deeply thankful for the £2.78 million donated to us this year by our family and child sponsors as well as other individual friends and supporters and especially those who left us legacy gifts in their Wills. Alongside this support, churches, charitable trusts and corporates through donations in kind helped us secure a 26% increase in income.

We continued to progress in our three strategic priorities:

1. **Growing the number of MWB supporters** – 2021 saw a 43% increase in the number of donors, largely through key campaigns with our Easter "Seeds of Hope" Appeal around increased self-sufficiency in food for families and our Christmas Operation Christmas Love box which saw 42,000 children and families, our largest number ever, receive boxes of essential food and Christian literature. We are grateful to Premier Christian Radio for their support in helping us achieve this active engagement in our work.
2. **Building Supporter Engagement** - Our focus on communicating regularly with donors through our twice- yearly news magazines and growing our email list, updating supporters on how their donations have made a difference and making time for phone calls to people especially during the COVID-19 lockdown, were all very positively received in 2021. Partly because of this growing understanding and interest in our work, the number of people who took out child and family sponsorships grew by 18%. An increasing number of people are also now receiving our bimonthly prayer diary and attending our virtual Zoom Prayer sessions. We were delighted to attend the Keswick Convention for the first time where we had the opportunity to talk more about our work and meet supporters.

## **Annual Review of Activities (continued)**

### ***Giving with love and purpose (continued)***

3. **Developing new partnerships** – To continue the momentum started in 2020 in expanding the Mission's work into new areas of need as well as building relationships with communities in Eastern Europe, 2021 saw us start to explore funding support from charitable trusts and foundations. We were encouraged by 27 trusts partnering with us in this first year, raising vital funds for key projects including a new community laundry and bathroom in Gotse Delchev, Bulgaria, soup kitchens in Sarny, western Ukraine, motorised cultivators and machinery for families in Bosnia and Herzegovina and horticultural tools and a greenhouse in Brasov, Romania.

Relationships with UK churches of all denominations are very precious to us as Mission Without Borders is so closely connected with churches in Eastern Europe as partners in our work with children and families living in poverty. While we have a small but committed band of supportive churches in the UK, we very much want to engage with more fellowships in communities up and down the country. During 2021 we have invested in this area with resource materials for churches and the advent devotional materials produced proved very successful.

Another encouragement this year has been the new relationships forged with the business community and widening the variety of products for shipment to our central warehouse in Sibiu, Romania. These goods are then distributed to families and children in the different countries we work in according to greatest need. In addition to the regular shipments of mattresses, headboards, divans and adult and children's clothing, we added face masks, hand sanitiser, and carpet floor tiles. We were also grateful to supporters and knitting groups who provided blankets and knitted items including sweaters, gloves, scarves and hats valued at £221,553.

While coronavirus did put a stop to many planned activities including the organization of visits by sponsors to our field countries, fundraising events and face to face meetings, we have worked hard on our digital channels. This year saw a major investment in videos and photography which captured the depth of our work from Christian outreach to humanitarian relief. This was particularly evident in the conflict in Eastern Ukraine and as a result we saw facebook reach and engagement increase by over 200%.

### ***Fundraising with care***

Over the past year we have been enormously thankful to all our supporters for their generosity and steadfast support which has been truly humbling. Reflecting our values of integrity and accountability the charity seeks to be good stewards of the funds we are given. Last year, we begun an investment programme to meet key strategic priorities for the charity, however we have been able to maintain an encouraging 92 pence in every £1 going to our charitable activities.

We continue to be sensitive to the potential of our fundraising to be both overly persistent and appear ungrateful. In both our digital communications as well as postal activity we provide clear and simple ways for people to opt out of future communications with us and we respond to these promptly. We believe that the more personal and relational engagement we are now having with supporters as well as clearly highlighting the impact their gifts have in Eastern Europe, is being received very positively.

## **Annual Review of Activities (continued)**

### ***Fundraising with care (continued)***

With COVID-19 restrictions lifting, we hope to meet more of our supporters face to face in 2022, either through house and church visits or through organised receptions.

Mission Without Borders is a member of the Fundraising Regulator and we abide by their Fundraising Code of Practice, which includes rules to protect privacy and data as well as guidelines that cover many different areas of fundraising. In 2021, no complaints were received concerning our fundraising activity. Trustees engage with fundraising best practice and receive regular monthly reports reviewing activity.

We have not and will not sell information on our donors, recognising that the trust placed in us demands the highest standards. MWB only works with trusted partners who share our values and concern for our donors, and we do not make commission-based payments

In 2021, along with MWB International, we have reviewed, revised and completed our MWB in the UK Risk register which analyses key risks, levels, movement and controls that are in place. This is monitored on a regular basis and includes fundraising, communications and PR to ensure they are managed effectively.

### ***General Data Protection Legislation***

A comprehensive compliance review of GDPR at MWB in the UK was undertaken by the UK Country Director and MWBI Compliance Director in June 2020. We continue to work hard to ensure that all staff are aware of and sensitive to, data protection issues in their day-to-day work and are fully committed to GDPR compliance. Trustees also review this area in conjunction with their legal and other professional responsibilities.

### ***Public benefit***

The trustees have noted the Charity Commission guidance on the public benefit requirement under the Charities Act 2011 and are confident that the activities of the Mission comply with this requirement. The trustees have also resolved that in administering the charity they will continue to pay due regard to the Charity Commission guidance on public benefit.

### ***Future plans and going concern assessment***

The COVID-19 pandemic continued to impact on the operations of MWB in 2021 both in the field countries as well as the fundraising and marketing Affiliate countries, however operational staff were able to successfully complete key activities whether that was delivering summer camps for nearly 5,000 children, beginning work with families in new communities in Bosnia and Herzegovina, Bulgaria and Albania, or delivering 42,000 Christmas parcels to children and families in crisis. As we move into 2022, the trustees continue to monitor the ongoing impact of the COVID-19 pandemic across all our operations and now closely monitor the potential impact of the ongoing conflict in the Ukraine. MWB in the UK has been a significant contributor to funds raised in 2022 which has helped a large number of refugees in and out of Ukraine. The vast majority of our staff in Ukraine remain in Ukraine, being their home and have a real desire to help fellow Ukrainians. MWBI monitors this and is in regular discussion with leadership in Ukraine over the safety and wellbeing of staff.

## **Annual Review of Activities (continued)**

### ***Future plans and going concern assessment (continued)***

Within the Affiliate countries, cash funds generated were up 8% on the prior year on the back of the investment and implementation of the 5-year international MWB strategy and development plan. There was strong and encouraging income growth in several countries including the UK. Alongside the international development plan, which sets the direction of travel and key areas the Mission wishes to advance in, roll out of MWB UK's 5-year plan continues to be effectively executed.

MWB UK continues to maintain efficient operations and ensure the safety of staff through a mix of remote working and office-based activities. Subject to the situation with the pandemic we plan to cautiously roll out face to face activities in 2022 including field visits, 1-2-1 donor visits, attendance at Christian festivals and donor receptions.

Activities will be monitored closely throughout the year to ensure plans for 2022 and 2023-2026 can still be funded in the light of the situation with the economy and changing market conditions. Activities in the field countries will also continue to be reviewed on an ongoing basis by the respective Country Director together with the International Field Director and International CEO.

### ***Key activities MWB seek to achieve globally over the next 5 years include:***

- ◆ Increasing the number of families and children supported across the six countries we operate in.
- ◆ Providing effective after school clubs for children in all areas of our work.
- ◆ Responding to the crisis in the Ukraine and expanding our support in the country.
- ◆ Increasing our scholarship program for young people by 10%.
- ◆ Collaborating with more churches particularly in the Ukraine.
- ◆ Developing, securing funds for and implementing a program for the elderly.
- ◆ Make the necessary efficient investment in IT systems to include developed data analysis and reporting tools.
- ◆ Develop new fundraising offices.
- ◆ Support and invest in the fundraising and communications programs.
- ◆ Provide more consistent and creative communications including a greater presence online through effective digital campaigns which will raise awareness and support.
- ◆ Prioritise staff development and well-being, developing and planning for future leaders.

In recognition of the above, the actions taken by the charity during 2021 and the response from its donor constituents, the trustees believe that the charity is a going concern on the basis set out below:

At 31 December 2021, the charity had a contingency fund of £60,000 and unrestricted general reserves of £319,697, supported by a cash balance of £410,747 and a working capital balance of £384,807.

## **Annual Review of Activities (continued)**

### ***Key activities MWB seek to achieve globally over the next 5 years include: (continued)***

In addition, the charity has a loan facility available of up to £350,000 from Mission Without Borders International (as detailed in note 11). Based on current projections, Mission Without Borders does not anticipate drawing down on this loan. The loan facility is to enable fundraising development in the UK with additional resources in staffing and online and offline marketing.

## **Structure, governance and management**

### **Status**

Mission Without Borders ("the charity", "MWB") is a registered charity (number 270659) and is constituted as a company registered in England and limited by guarantee (registration number 01065601). The Memorandum and Articles of Association are the governing documents setting out the objects and powers of the charity.

### **Structure**

MWB is an independent charity which is part of a global network co-ordinated by Mission Without Borders International (MWBI).

MWBI is a separate legal entity registered in the USA as a 501(c)(3) not-for-profit charitable organisation. MWBI provides strategic and management support and coordinates activities carried out with other Mission Without Borders charities, of which there are twelve fundraising offices operating across the world and six field offices delivering our work in Eastern Europe.

The 'umbrella' of MWBI seeks to enable efficient working and the exchange of valuable expertise.

### **Governance**

The trustees are ultimately responsible for all matters of principle concerning the charity, and the UK Country Director must seek approval of the Board in relation to any decisions where required by the terms of our internal control regulations.

Under the terms of the governing documents, trustees are normally appointed at the AGM with one third retiring by rotation (who are then eligible for reappointment).

The trustees have adopted the Good Governance Code and continue to monitor procedures to ensure compliance with the code. The trustees have also invited a number of people who are willing to give their expert advice in various fields to become members of the Board of Advisors. The members of the Board of Advisors are not trustees, and they do not have legal responsibility as such nor as directors or members of the registered company.

New trustees are usually selected from people who have an understanding of and commitment to the purpose of the Mission. Their experience and understanding is assessed against the needs of the charity to ascertain their ability to guide, implement and monitor the policies of a charity operating internationally. Existing trustees, staff, advisers and supporters are involved in the identification of suitable candidates. MWBI has recently agreed a strategy to identify and invite to the Trustee board trustees who are independent of MWBI and its charitable entities. This is expected to strengthen the activities of MWB in the UK and will strengthen the impact of the board.

## **Structure, governance and management (continued)**

### ***Governance (continued)***

Trustees receive general induction about the operations of the charity and are provided with the Good Governance Code to understand their responsibilities. Ongoing training is then tailored to the needs of the individual trustee. Trustees are not remunerated for their work as Trustees.

### ***Management***

The day-to-day running of the charity is overseen by the UK Country Director who is supported by a staff team. The Country Director reports directly to the Board of Trustees and the International CEO and receives support from the MWBI Executive Team on issues affecting the global operations of the charity. The Country Director is responsible for providing the Board with regular reports and KPIs that measure progress against agreed objectives and for preparing an annual budget and reviewing a rolling 5 year strategic plan.

During the year, the trustees receive a monthly report providing an overview of performance against budget and an update on the charity's activities. The strategy is reviewed annually to ensure it is an active working document that accurately reflects the direction of the UK office.

### ***Pay and remuneration***

In setting pay and remuneration, the trustees seek to ensure that everyone is paid fairly. Salaries are reviewed by the Board annually which includes consideration for changes in the cost of living and responsibilities. The pay of key management personnel is benchmarked against equivalent positions in the voluntary sector.

MWB would not aim to pay staff more than others in similar jobs in the sector, as it is our hope that people will choose to work for MWB because of what we do and their desire to be part of it rather than for financial incentives. Details of remuneration awarded to key management personnel are included within note 6 of the financial statements.

### ***Financial review***

In summary, our total income of £2,782,418 in 2021 (2020 - £2,212,628), including donations in kind of £2,042,014 (2020 - £1,688,800), was applied to fund total expenditure of £2,590,955 (2020 - £2,153,462) which resulted in a surplus for the year of £191,463 (2020 - surplus of £59,166). Of this, £2,358,071 (2020 - £1,984,370) was expended in furtherance of our charitable activities, with £232,884 (2020 - £169,092) used in raising funds.

### ***Reserves policy***

The charity sees its main responsibility as transferring the maximum possible amount of money raised in donations to the beneficiaries in the field according with its objects.

It is essential for sufficient accounting reserves to be maintained in order to:

- ◆ Meet budgeted transfers and payments in the face of an unexpected fall in income.
- ◆ Have sufficient reserves on hand for a sudden unexpected increase in programme needs.
- ◆ Meet exceptional expenses; and
- ◆ Meet any planned capital expenditure.

To that end, the trustees will regularly review and set a target reserve level. This is currently set at £60,000 representing approximately two months running costs.

## **Structure, governance and management (continued)**

### ***Reserves policy (continued)***

To recognise this, we have designated a reserve accordingly of £60,000 at 31 December 2021 (2020 - £60,000).

General funds at 31 December 2021 are £319,697 (2020 - £136,186), of which free reserves were £316,855 (2020 - £134,299). Free reserves are the general funds held by the charity less the net book value of tangible fixed assets. The trustees consider this level of free reserves to be adequate but not excessive given the ongoing investment in fundraising for 2022". Restricted funds at 31 December 2021 were £7,952 (2020 - £nil).

### ***Risk management***

It is the charity's policy to have a risk management framework which:

- ◆ Attempts to identify, assess and manage all of Mission Without Borders' risks
- ◆ Supports Missions Without Borders International strategic plan
- ◆ Assigns clear responsibilities for risk management
- ◆ Monitors and tracks progress on managing risk

The charity maintains a risk register which is reviewed regularly by the trustees. During the year under review, risks to which the charity could be exposed were identified and action planned to minimise such risks. The major risks identified during the year related to securing sustainable income.

MWB's strategic approach takes into account these risks and includes plans for ensuring that diverse income streams are developed and to ensure there is an appropriate balance between donor acquisition, retention and attrition.

There are also governance and control risks to which the charity is exposed and it is important to ensure that these are mitigated by a robust approach to maintaining a high level of skill and engagement on the trustee board. The addition of specialist advisors to the trustees reinforces our ability to manage governance and control risks.

The primary operational risk for the charity concerns the recruitment and retention of the paid staff team. A clear, fair and consistent policy is in place for the recruitment of staff so that their expertise can be measured and assessed accurately against their peers. All prospective staff are subject to interview and competency testing; once appointed they must complete a six-month probationary period. Staff are appraised annually and CPD is central to the performance management process.

Other lower risks to the charity relate to external and infrastructure issues. Control processes are in place to manage and monitor these risks.

### Statement of trustees' responsibilities

The trustees (who are also directors of Mission Without Borders 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 charitable company and of the income and expenditure of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- ◆ Select suitable accounting policies and then apply them consistently;
- ◆ Observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- ◆ Make judgements and estimates that are reasonable and prudent;
- ◆ State whether applicable United Kingdom 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 charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- ◆ There is no relevant audit information of which the charitable company's auditor is unaware; and
- ◆ The trustees have taken all steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Signed and authorised for issue by order of the Board

Michael Thomas  
Chairman:



Date: 6 May 2022

## **Independent auditor's report to the members of Mission Without Borders**

### **Opinion**

We have audited the financial statements of Mission Without Borders (the 'charitable company') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- ◆ the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- ◆ the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- ◆ the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the trustees' report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees 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 charitable company'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**

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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations; and
- ◆ we obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011).

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

**Auditor's responsibilities for the audit of the financial statements** (continued)

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested journal entries to identify unusual transactions; and
- ◆ assessed whether judgements and assumptions made in determining the accounting estimate for the provision for gifts in kind were indicative of potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ reading the minutes of meetings of those charged with governance; and
- ◆ enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Shachi Blakemore, Senior Statutory Auditor  
for and on behalf of Buzzacott LLP, Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL  
Date: 13 June 2022

**Statement of financial activities (including income and expenditure account)**  
Year ended 31 December 2021

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2021 £	Unrestricted funds £	Restricted funds £	Total funds 2020 £
<b>Income from:</b>							
Donations and legacies	1	2,618,094	164,318	<b>2,782,412</b>	2,122,981	89,639	2,212,620
Investment income		6	—	<b>6</b>	8	—	8
<b>Total income</b>		<b>2,618,100</b>	<b>164,318</b>	<b>2,782,418</b>	<b>2,122,989</b>	<b>89,639</b>	<b>2,212,628</b>
<b>Expenditure on:</b>							
Raising funds	2	232,884	—	<b>232,884</b>	169,092	—	169,092
Charitable activities							
• Field programmes	3	2,143,625	156,366	<b>2,299,991</b>	1,863,100	94,685	1,957,785
• Education and information	3	58,080	—	<b>58,080</b>	26,585	—	26,585
<b>Total expenditure</b>		<b>2,434,589</b>	<b>156,366</b>	<b>2,590,955</b>	<b>2,058,777</b>	<b>94,685</b>	<b>2,153,462</b>
Net income and net movement in funds	4	183,511	7,952	<b>191,463</b>	64,212	(5,046)	59,166
<b>Total funds at 1 January</b>		<b>196,186</b>	<b>—</b>	<b>196,186</b>	<b>131,974</b>	<b>5,046</b>	<b>137,020</b>
<b>Total funds at 31 December</b>		<b>379,697</b>	<b>7,952</b>	<b>387,649</b>	<b>196,186</b>	<b>—</b>	<b>196,186</b>

All recognised gains and losses are included in the above statement of financial activities.

The net movement in funds for the year arise from the charity's continuing operations during the above two years.

**Balance sheet** 31 December 2021

	Notes	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	7	2,842	1,887
<b>Current assets</b>			
Debtors	8	16,448	131,406
Cash at bank and in hand		410,747	99,693
		<u>427,195</u>	<u>231,099</u>
<b>Creditors:</b> Amounts falling due within one year	9	(42,388)	(36,800)
<b>Net current assets</b>		<u>384,807</u>	<u>194,299</u>
<b>Total net assets</b>		<u>387,649</u>	<u>196,186</u>
<b>The funds of the charity:</b>			
Unrestricted funds			
. General funds		319,697	136,186
. Designated funds	12	60,000	60,000
Restricted funds	13	7,952	—
<b>Total funds</b>	15	<u>387,649</u>	<u>196,186</u>

Approved by the trustees and signed on their behalf by:



Michael Thomas  
Trustee

Approved on: 6 May 2022

Mission Without Borders  
Company Registration Number: 01065601 (England and Wales)

## Statement of cash flows Year to 31 December 2021

	Note	2021 £	2020 £
<b>Cash flows from operating activities:</b>			
Net cash provided by (used in) operating activities	A	<b>313,274</b>	<b>(47,524)</b>
Investment income		<b>6</b>	<b>8</b>
Purchase of equipment		<b>(2,226)</b>	<b>(1,807)</b>
<b>Net cash (used in) investing activities</b>		<b>(2,220)</b>	<b>(1,799)</b>
<b>Change in cash and cash equivalents in the year</b>		<b>311,054</b>	<b>(49,323)</b>
<b>Cash and cash equivalents at 1 January</b>	B	<b>99,69</b>	<b>149,016</b>
<b>Cash and cash equivalents at 31 December</b>	B	<b>410,747</b>	<b>99,693</b>

### Notes to the statement of cash flows for the year to 31 December:

#### A Reconciliation of net movement in funds to net cash provided by operating activities

	2021 £	2020 £
<b>Net movement in funds (as per the statement of financial activities)</b>	<b>191,463</b>	<b>59,166</b>
<b>Adjustments for:</b>		
Depreciation charge (note 7)	<b>1,271</b>	<b>816</b>
Interest income	<b>(6)</b>	<b>(8)</b>
Decrease (increase) in debtors (note 8)	<b>114,958</b>	<b>(112,330)</b>
Increase in creditors (note 9)	<b>5,588</b>	<b>4,832</b>
<b>Net cash provided by (used in) operating activities</b>	<b>313,274</b>	<b>(47,524)</b>

#### B Analysis of cash and cash equivalents

	2021 £	2020 £
<b>Total cash and cash equivalents: Cash at bank and in hand</b>	<b>410,747</b>	<b>99,693</b>

#### C Analysis of changes in net debt

	At 1 January 2021 £	Cash flows £	At 31 December 2020 £
Cash at bank and in hand	99,693	311,054	<b>410,747</b>
<b>Total</b>	<b>99,693</b>	<b>311,054</b>	<b>410,747</b>

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

### **Basis of preparation**

These financial statements have been prepared for the year to 31 December 2021 and are presented in sterling and are rounded to the nearest pound.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

### **Critical accounting estimates and areas of judgement**

Preparation of the financial statements requires the trustees and management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- ◆ valuation of donations in kind received during the year;
- ◆ estimating the useful economic life of tangible fixed assets;
- ◆ allocation of support costs across charitable activities; and
- ◆ valuation of legacies to be recognised in accordance with FRS 102.

### **Assessment of going concern**

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The trustees have taken into consideration an assessment of the ongoing impact of the pandemic on the charity in 2022 and are closely monitoring the potential impact of the conflict in Ukraine. Although there may still be some negative consequences and greater risk particularly in relation to activities in Ukraine partly funded by MWB in the UK, the trustees believe that the charity is a going concern on the basis detailed within the 'Future plans and 'Going Concern Assessment' section within the trustees' report (see pages 20 to 21).

**Assessment of going concern** (continued)

This includes the level of free reserves at 31 December 2020, a loan facility available if needed of up to £350,000 from Mission Without Borders International that the charity could draw upon and a reasonable level of liquid reserves as at 31 December 2021. Based on this, the trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the financial statements are detailed above.

**Income recognition**

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably, and it is probable that the income will be received. Income comprises donations, corporate donations in kind, legacies and interest.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is not recognised until either the conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Where donors have specifically stated which appeal their donations are to be used for, this has been treated as restricted income. Where donations have been made that can be used at the discretion of the charity, then this has been treated as unrestricted income.

Corporate donations in kind are recognised as income in the year in which they are donated and distributed at the best estimate of their value to the charity as derived from the donor. Where the donor does not provide any valuation, management seek to obtain a suitable market valuation from one or more alternative sources. These gifts are recorded as unrestricted income when received and when disbursed, as the goods are distributed where needed at the discretion of the charity.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity. Entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably, and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having being transferred to the charity.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

### **Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accrual's basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- ◆ Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes staff costs associated with fundraising and an allocation of premises costs.
- ◆ Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities.

All expenditure is stated inclusive of irrecoverable VAT.

### **Allocation of support and governance costs**

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Support costs and governance costs are apportioned between expenditure categories based on the time spent on each activity.

### **Payments to Mission Without Borders International**

Mission Without Borders is the UK fundraising affiliate of MWBI which co-ordinates worldwide fundraising and its programs in Eastern Europe. Affiliates, including this charity, incur fundraising expenses to acquire donations. MWBI then consolidates the donations received before allocating fundraising and administration expenses as a percentage of donated revenue. Mission Without Borders makes cash and gift in kind donations to MWBI, which are pooled and used by MWBI to transfer on a monthly basis to fund its programs.

### **Fixed assets**

Tangible fixed assets are capitalised and included at cost including any incidental expenses of acquisition.

Depreciation is calculated so as to write off the cost of tangible fixed assets on a straight-line basis over the expected useful economic lives of the assets concerned as follows:

Furniture, fittings and office equipment	- Between 3 and 5 years
--	-------------------------

**Debtors**

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

**Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**Creditors**

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

**Operating leases**

Costs in respect of operating leases are charged on a straight-line basis over the lease term. Rentals paid under operating leases are charged to the statement of financial activities as incurred.

**Contributions to pension funds**

The charity operates a defined contribution pension scheme. The pension costs charged to the statement of financial activities represent the amount of the contributions payable to the scheme in respect of the accounting period.

**Foreign currencies**

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

**Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**Corporation tax**

The Company is a registered charity and as such its income and gains falling within Sections 471 to 489 of the Corporation Tax Act 2010 or Section 256 of Taxation of Chargeable Gains Act 1992 are exempt from corporation tax to the extent that they are applied to its charitable objectives.

**Funds**

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

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

# 1 Income from donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Donations receivable	432,763	164,318	597,081	409,293
Corporate donations (donations in kind)	2,042,014	—	2,042,014	1,688,800
Legacies	143,317	—	143,317	114,527
<b>2021 Total funds</b>	<b>2,618,094</b>	<b>164,318</b>	<b>2,782,412</b>	<b>2,212,620</b>

	Unrestricted funds £	Restricted funds £	Total 2020 £
<i>Donations receivable</i>	319,654	89,639	409,293
<i>Corporate donations (donations in kind)</i>	1,688,800	—	1,688,800
<i>Legacies</i>	114,527	—	114,527
<b>2020 Total funds</b>	<b>2,122,981</b>	<b>89,639</b>	<b>2,212,620</b>

# 2 Expenditure on raising funds

	Unrestricted funds	
	2021 £	2020 £
Staff costs	99,470	93,154
Direct fundraising costs	116,914	61,349
Premises and office costs	16,500	14,589
	<b>232,884</b>	<b>169,092</b>

# 3 Expenditure on charitable activities

	Field programme				Total 2021 £
	Family care £	Child care £	Child & family sponsorship £	Education and information £	
<b>Direct costs</b>					
Cash donations for fieldwork	65,690	47,611	77,838	—	191,139
Donations in kind transfer for fieldwork	1,123,108	918,906	—	—	2,042,014
Staff costs	—	—	—	54,559	54,559
Other direct costs	1,638	1,341	—	3,521	6,500
	<b>1,190,436</b>	<b>967,858</b>	<b>77,838</b>	<b>58,080</b>	<b>2,294,212</b>
<b>Support costs</b>					
Staff costs	7,144	7,144	6,124	—	20,412
Office costs	8,423	8,423	7,220	—	24,066
Premises costs	2,064	2,064	1,770	—	5,898
	<b>17,631</b>	<b>17,631</b>	<b>15,114</b>	<b>—</b>	<b>50,376</b>
<b>Governance costs</b>					
Staff costs	376	376	322	—	1,074
Office costs	443	443	380	—	1,266
Premises costs	109	109	93	—	311
Audit fees	3,673	3,673	3,148	—	10,494
Legal and accountancy	118	118	102	—	338
	<b>4,719</b>	<b>4,719</b>	<b>4,045</b>	<b>—</b>	<b>13,483</b>
	<b>1,212,786</b>	<b>990,208</b>	<b>96,997</b>	<b>58,080</b>	<b>2,358,071</b>

**3 Expenditure on charitable activities (continued)**

	<i>Field programme</i>				
	<i>Family care</i>	<i>Child care</i>	<i>Child &amp; family sponsorship</i>	<i>Education and information</i>	<i>Total 2020</i>
	£	£	£	£	£
<b>Direct costs</b>					
Cash donations for fieldwork	58,336	39,417	70,747	—	168,500
Donations in kind transfer for fieldwork	929,700	760,664	—	—	1,690,364
Staff costs	—	—	—	22,728	22,728
Other direct costs	76	62	—	3,857	3,995
	<u>988,112</u>	<u>800,143</u>	<u>70,747</u>	<u>26,585</u>	<u>1,885,587</u>
<b>Support costs</b>					
Staff costs	11,849	11,849	10,156	—	33,854
Office costs	15,519	15,519	13,301	—	44,339
Premises costs	1,994	1,994	1,708	—	5,696
	<u>29,362</u>	<u>29,362</u>	<u>25,165</u>	<u>—</u>	<u>83,889</u>
<b>Governance costs</b>					
Staff costs	624	624	534	—	1,782
Office costs	817	817	700	—	2,334
Premises costs	105	105	90	—	300
Audit fees	3,549	3,549	3,042	—	10,140
Legal and accountancy	118	118	102	—	338
	<u>5,213</u>	<u>5,213</u>	<u>4,468</u>	<u>—</u>	<u>14,894</u>
	<u>1,022,687</u>	<u>834,718</u>	<u>100,380</u>	<u>26,585</u>	<u>1,984,370</u>

**4 Net income**

This is stated after:

	<b>2021</b>	<b>2020</b>
	£	£
Staff costs (note 6)	<b>175,515</b>	151,518
Auditor's remuneration		
. Audit Fees	<b>10,494</b>	10,140
Depreciation	<b>1,271</b>	816
Operating lease rentals	<b>16,120</b>	16,120

**5 Trustees' emoluments and expenses**

The trustees did not receive any emoluments from the charity for their work as trustees during the current or prior period. No trustees were reimbursed for travel and subsistence expenses in their role as trustees during the year (2020 - £nil).

**6 Staff costs**

The average monthly number of persons employed during the year by the charity, excluding trustees, was:

	<b>2021</b>	<b>2020</b>
	No.	No.
Field programme	<b>1</b>	2
Fundraising	<b>2</b>	—
Administration	<b>2</b>	2
	<u><b>5</b></u>	<u><b>4</b></u>

## 6 Staff costs (continued)

The employment costs were as follows:

	2021 £	2020 £
Wages and salaries	156,975	135,308
Social security costs	14,278	12,434
Pension costs	4,262	3,776
	<b>175,515</b>	<b>151,518</b>

There were no employees with emoluments exceeding £60,000 per annum during either year.

The key personnel of the charity comprise the Country Senior Management and the trustees. The total remuneration (including taxable benefits, employers pension and employers' national insurance contributions) of the key management personnel was £113,431 during the year (2020 - £112,117).

## 7 Tangible fixed assets

	Furniture, fittings and office equipment £
<b>Cost</b>	
At 1 January 2021	13,285
Additions	2,226
At 31 December 2021	<b>15,511</b>
<b>Depreciation</b>	
At 1 January 2021	11,398
Charge for the year	1,271
At 31 December 2021	<b>12,669</b>
<b>Net book value</b>	
At 31 December 2021	<b>2,842</b>
At 31 December 2020	<b>1,887</b>

## 8 Debtors

	2021 £	2020 £
Gift Aid recoverable	—	4,834
Other debtors	7,425	11,062
Prepayments and accrued income	9,023	115,510
	<b>16,448</b>	<b>131,406</b>

**9 Creditors: amounts falling due within one year**

	2021 £	2020 £
Other creditors	22,233	19,857
Taxation and social security creditor	5,045	3,232
Pension contributions	3,966	2,921
Accruals	11,144	10,790
	<b>42,388</b>	<b>36,800</b>

**10 Liability of members**

The company is a registered charity and is limited by guarantee with no share capital. The liability of each member in the event of winding-up is limited to £1.

**11 Related party transactions**

All goods received for field programmes in 2021, and with a value of £2,042,014 (2020 - £1,688,800), have been transferred to Mission Without Borders International (MWBI), of which the company is the UK affiliate. Mission Without Borders incurred expenses on behalf of MWBI of £2,652 (2020 - £1,564) in relation to the acquisition and transfer of these goods and other general expenses. As at 31 December 2021, MWBI owed Mission Without Borders £7,425 (2020 - £11,062) in respect of reimbursable shared costs.

MWBI is a United States 501(c)(3) non-profit religious organisation which distributed funds raised by affiliated organisations (which include Mission Without Borders), and co-ordinates the funding of and activities in programmes in Eastern Europe.

Cash transfers from Mission Without Borders to MWBI in the year amounted to £191,139 (2020 - £168,500).

Several trustees of the charity hold remunerated positions in MWBI. The charity has actively sought out their representation on the board of trustees for their expertise and understanding of the Mission. Such trustees during the year included Mary Elizabeth Waldy (International Fundraising and Communications Director, MWBI) and Stephen Young (International Chief Executive Officer, MWBI).

The trustees and key management personnel of the charity donated a combined total of £3,896 before Gift Aid to the charity in the year (2020: £692).

A loan from Mission Without Borders International (MWBI) was agreed in 2019 in accordance with a promissory document dated 1 November 2019, under which a maximum of £350,000 is available to the charity from MWBI. Interest is calculated at a rate of 1.94% and is payable on amounts drawn down. Under the terms of the document, ten interest only payments will commence on the fifth annual anniversary of 1 November 2019, which will continue for nine annual anniversary dates. The loan shall mature on 31 October 2034, at which time all accrued interest and unpaid principal shall be payable in full. As at 31 December 2021, Mission Without Borders had not drawn down any of the available facility and it is conceivable that this facility may not be required.

**12 Designated funds**

	At 1 January 2021 £	New designations £	Utilised/ released £	At 31 December 2021 £
Contingency fund	60,000	—	—	60,000

	At 1 January 2020 £	New designations £	Utilised/ released £	At 31 December 2020 £
Contingency fund	60,000	—	—	60,000

Contingency fund - this relates to funds set aside by the trustees as being the minimum level of funds to meet unexpected shortfalls in income, sudden field programme needs and exceptional expenditure. Whilst there were no unexpected shortfalls in income in 2021, the trustees believe this contingency fund should be carried forward to 2022.

**13 Restricted funds**

	At 1 January 2021 £	Income £	Expenditure £	At 31 December 2021 £
Child Care	—	34,823	(31,963)	2,860
Family Care	—	51,657	(46,565)	5,092
Child & Family Sponsorship	—	77,838	(77,838)	—
	—	164,318	(156,366)	7,952

	At 1 January 2020 £	Income £	Expenditure £	At 31 December 2020 £
Child Care	—	6,200	(6,200)	—
Family Care	5,046	12,692	(17,738)	—
Child & Family Sponsorship	—	70,747	(70,747)	—
	5,046	89,639	(94,685)	—

Restricted funds arise when the donor stipulates how their donation must be spent. These stipulations are taken into account and recognised in the following funds:

*Child Care* - Helping children in need. The purpose of the Child Care programme is to meet the personal developmental needs of orphaned and abandoned children living in institutions, as well as children from poor families living in communities in Eastern Europe, by responding to their individual needs.

*Family Care* - Helping families in need. The purpose of the Family Care programme is to meet basic needs of poor and disadvantaged families that reside in selected communities in Eastern Europe.

### 13 Restricted funds (continued)

*Child & Family Sponsorship* - Helping children in institutions through individual sponsorships & families in need through sponsorship of an entire family. The purpose of the child sponsorship programme is to meet the basic needs of orphaned and abandoned children residing in Children's homes in Eastern Europe. The purpose of the family sponsorship programme is to take families on a journey from poverty to self-sufficiency.

### 14 Operating leases

As at 31 December, the charity had total commitments under non-cancellable operating leases as set out below:

	Land and buildings	
	2021	2020
	£	£
Expiring:		
. Within one year	<b>16,210</b>	<b>16,210</b>

### 15 Analysis of net assets between funds

	Unrestricted funds		Restricted funds	Total funds
	General funds	Designated funds		
	£	£	£	£
<b>At 31 December 2021</b>				
Tangible fixed assets	2,842	—	—	<b>2,842</b>
Current assets	359,243	60,000	7,952	<b>427,195</b>
Current liabilities	(42,388)	—	—	<b>(42,388)</b>
	<b>319,697</b>	<b>60,000</b>	<b>7,952</b>	<b>387,649</b>

	General funds	Designated funds	Restricted funds	Total funds
	£	£	£	£
<i>At 31 December 2020</i>				
<i>Tangible fixed assets</i>	<i>1,887</i>	<i>—</i>	<i>—</i>	<i>1,887</i>
<i>Current assets</i>	<i>171,099</i>	<i>60,000</i>	<i>—</i>	<i>231,099</i>
<i>Current liabilities</i>	<i>(36,800)</i>	<i>—</i>	<i>—</i>	<i>(36,800)</i>
	<b><i>136,186</i></b>	<b><i>60,000</i></b>	<b><i>—</i></b>	<b><i>196,186</i></b>

### 16 Post balance sheet events

On 24 February 2022, Russia invaded Ukraine. MWB has 80 staff in Ukraine and a significant element of its programs, partially funded by MWB in the UK, in Ukraine. MWB in the UK has raised considerable funds in 2022, along with other MWB fundraising entities to assist in the emergency relief for refugees inside and outside of Ukraine. Management of MWBI and the Trustees of MWB in the UK are monitoring the impact of the conflict carefully, are in regular contact with staff in Ukraine and undertake scenario planning on a regular basis. Inevitably there is considerable uncertainty as to the eventual outcome of this conflict but MWBI remains committed to serving the people of Ukraine and intends to continue its programs whenever possible.