

Mission Without Borders

Annual Report and Financial Statements

31 December 2022

Company Limited by Guarantee

Company Registration Number
01065601 (England and Wales)

Charity Registration Number
270659

Contents

Reports

Reference and administrative information	1
Chairman's statement	2
Trustees' report	3
Independent auditor's report	21

Financial statements

Statement of financial activities	25
Balance sheet	26
Statement of cash flows	27
Principal accounting policies	28
Notes to the financial statements	32

Reference and administrative information

Trustees	M Thomas (Chairman) P Broad S Young (Vice-Chairman & Treasurer)
National director	J Chamberlain
Company secretary	S Young
Registered office and operation address	175 Tower Bridge Road London SE1 2AG
Bankers	National Westminster Bank plc 1 Princes Street London EC2R 8BP Scottish Widows 69 Morrison Street Edinburgh EH3 8BW
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Solicitors	Wellers Law Group 65 Leadenhall Street London EC3A 2AD

Chairman's Statement

"God is our refuge and strength, an ever-present help in trouble." Psalm 46 v1

At the start of the year, I don't think any of us could have imagined the devastation that was to be inflicted on Ukraine on February 24th. The reality of war has proved very vividly that life is uncertain and fragile. Our response was immediate, with the launch of a major appeal and teams of staff and volunteers living and working in Ukraine and on the borders of Romania and Moldova helping with food, clothing and shelter. Key to this vital work has been the growing number of partnerships the Mission has with local churches in Ukraine and the surrounding countries which has enabled us to help over 84,000 refugee families with aid and nearly 35,000 families with accommodation. Here in the UK, we were humbled by the generosity of supporters, companies, churches and charitable trusts who helped us raise over £400,000 for Ukraine.

Despite this crisis, a full program of work was carried out in all the other countries, and it is a joy to report that in 2022 we reached 30,000 individuals through our children and family support programs, working with 2,515 families, up 10% on last year. Despite the impact of the war, it has been amazing what the Ukrainian team were able to accomplish, including a special time holding summer camps for over 640 children including many refugees from the east of the country.

Mission Without Borders is an international charity with a presence in eighteen countries and operational work focused on eastern Europe where we have been working for over 60 years. This year, it was a delight to meet again physically after the isolation brought about by COVID-19. Together we were able to develop plans to ensure the organisation can respond to urgent needs, for example a new family project in Sarajevo, Bosnia Herzegovina which has been started, as well as making the charity more effective and efficient in its digital processing and marketing.

A focus on prayer remains central to all we do from Board meetings, individual team devotions through to the growing numbers of people who receive our bimonthly Partnering in Prayer diary. Resourcing churches and individuals with devotional materials has seen thousands of people hear about the Mission and its work, often for the very first time. As part of this program, we were also delighted to partner with Big Church Festival at their weekend in Sussex in June attended by 38,000 Christians.

I am truly grateful to everyone who has supported us this year, our wonderful and dedicated team of volunteers and staff in eastern Europe who I salute, and to our Heavenly Father who continues to provide for us.

Michael Thomas

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 2022.

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 28 to 31 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.

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



Source: UNHCR and UNICEF

Mission Without Borders has been working in Ukraine for over 60 years, in close partnership with local churches. The Russian invasion on 24th February 2022, had an immediate and significant impact on the Mission's work. As fighting intensified in the eastern region, there developed one of the biggest refugee evacuations since the second world war. The UN now estimate at least 12 million people have fled their homes since Russia's invasion of Ukraine.

After the initial shock of the invasion, Mission Without Borders local teams of volunteers and staff in Ukraine as well as in the neighbouring countries of Romania, Moldova and Bulgaria, responded immediately, distributing emergency food and hygiene parcels, serving hot meals in churches and at the border crossing points, helping refugees with accommodation and delivering in truckloads of aid. All this was done working together with hundreds of volunteers and in partnership with 345 local churches. Due to the government instructions to residents

Annual Review of Activities (continued)

in the area of Eastern Ukraine where the Mission was working, as a result of the conflict intensification, we were obliged to close down our operations in Eastern Ukraine.

To fund this humanitarian aid, a Ukraine War Appeal was launched within 24 hours, with radio and press advertising as well as an online campaign.

The outpouring of generosity from UK individuals, trusts and churches was overwhelming and resulted in £454,000 being raised to help those affected by the war. On top of this, we are grateful to the *Big Give* who facilitated a Christmas Appeal which helped raise further funds for a forklift truck for our warehouse in Ukraine as well petrol-driven generators to provide emergency electrical supplies for staff and beneficiaries affected by electrical outages caused by Russian bombing.

Our strong presence with “on the ground” Ukrainian teams enabled us to respond quickly, ensuring aid was put to good use effectively and efficiently. Our network of church partners was critical to this, one of these being with the church in Karpylivka village in western Ukraine. The village has a reputation for being one of hardworking and determined people. When war broke out, the church were eager to serve and love others in any way they could.

Led by Volodymyr Brychka, Pastor of the church, with close support from the team at Mission Without Borders, they began helping those in the warzone with trucks of food, warm clothing, footwear and other essentials. They also rescued people trapped in conflict zones and helped groups of disorientated displaced mothers and children as well as people injured in the war.

Mykola Bogdanets, MWB Ukraine Director, said, ***“The Mission’s partnership with the church of Karpylivka village has already brought much fruit. Both of us share similar intentions, vision, and spirit. We have always worked to reach people for Christ, and now, during the war, we do our best to help in the most effective way in the places where it’s needed the most”.***

“It means so much that there are so many brave and devoted volunteers at Karpylivka church, who are also experienced and trustworthy. Together with our staff, they deliver help effectively. We can count on them, and they can count on us.”



Photo: Volodymyr Brychka, Pastor of Karpylivka church, helping with food in the war zone

Annual Review of Activities (continued)

The church at Karpylivka church along with others continue to deliver donated food and aid to areas hardest hit by the war such as Kherson and Kharkiv, all of this made by possible by Mission Without Border supporters.

Motivating all of this work is the vision of Mission Without Borders to share the hope that is found in Jesus Christ, to live out Christ's example and command to love one-another sacrificially (John 13:34) and to provide aid for the most vulnerable in society (Psalm 41:1; John 1:27), so that they may grow and be sustained materially, emotionally and spiritually. Alongside the practical support, we have also supplied **5,550** New Testaments and **14,992** copies of John's Gospel of John to refugees over the year.

The war triggered the rapid development and implementation of a three-stage strategic action plan to **Respond**, **Restore** and **Rebuild** the lives of Ukrainians affected both in Ukraine and in the neighbouring countries where MWB operate. MWB will stand united and continue to serve the people of Ukraine, responding to both the immediate needs of families as well as support in the long term and in the rebuilding when the conflict is over.



Summer Camps

2022 was the first year following the easing of Covid restrictions that Mission Without Borders was able to organise events such as our Summer Camps. It is an activity program which has proved very popular with children and a highlight of the year for them, providing an opportunity to take a break from the hardships of the year, develop new friendships, and share their lives and stories with each other and with staff in a safe environment. Across Eastern Europe, 5,460 children were able to enjoy a MWB Summer Camp in 2022, thanks to donations from supporters.

Summer Camps (continued)

The importance of running camps was reinforced by Russia's invasion of Ukraine where more than 60% of Ukrainian children were displaced from their homes, causing a huge impact on their mental health and educational development.

Despite the difficulty of running camps during war time, the Mission safely provided week-long and day camps for **1,060** young people in western Ukraine. These included a camp for **120** children whose father or mother was serving in the Ukrainian army, police-force, emergency rescue teams or fire-fighting brigade. Most of these boys and girls had never been to a Christian camp before.

One of these was Vlad, aged 16:

"Our family are refugees from Mariupol. We escaped on 16th of March. We spent three weeks in the basement believing that everything would end soon, but it did not. There was no electricity, gas and running water. We cooked on a fire. Every time during the bombings, I prayed to God and asked for His protection. During that time, I saw a lot of things I would like to forget. Most likely our house is ruined, and I doubt that I will recognize my town if I ever go back.

I liked the camp very much. First it was little unfamiliar but soon I got used to everything. Everyone was so friendly; the atmosphere was great. I easily found a common language with other people there and I've now got new friends. I enjoyed the sport games, activities, food and living conditions. I would like to come here again if everything will be fine in Ukraine."



Photo: Vlad, 16, a refugee from Mariupol at an MWB Summer Camp in 2022

The human impact of war

We are witnessing huge needs for families who have lost loved ones or who no longer have a place to live, on people who have become injured by the war and disabled and on those who are suffering from the traumatic experiences they have seen.

While committed to stay and work themselves, many staff have evacuated their families to safety. One of our these, Oleg, a MWB Coordinator working in Eastern Ukraine, stayed with his church members in Sloviansk for as long as he could, ensuring they had food parcels, blankets and clean water. At one stage he even had 27 people hiding for shelter in the basement of his house.

He continued to drive to our offices in western Ukraine to pick up food and hygiene parcels to take back to those in the East until, as the conflict widened, this became impossible, and both he and the people he was serving in the community were evacuated from the region.



Photo: Oleg loading a van with food and hygiene parcels for eastern Ukraine

Summer Camps (continued)

Sadly in April 2022, two Mission Without Borders volunteer workers were killed as they attempted to evacuate civilians from Kyiv region, driving civilian cars marked with red crosses. They had bravely offered to distribute food aid to several towns and evacuate refugee families on the way home when they were shot, and their cars burned.

The economy is struggling with high inflation, regular power cuts, high fuel costs and shortages of essential food. Mykola Bogdanets, Ukraine Country Director, recently commented, **"2022 has been a terrible year for all Ukrainians and brought dramatic changes to the vast majority of our nation."**

However, despite everything that is going on, despite all the hardships and atrocities, and thanks to your wonderful support, we continue to help families in poverty, children and elderly people, and we do this in partnership with many local churches".



Photo: Mykola Bogdanets, MWB Ukraine Director

Wider refugee work

At the start of the war around 350,000 Ukrainian refugees fled the country to Moldova with a similar number going to Romania, both countries Mission Without Borders operates in. In Romania, the Mission team call them, "our special guests."

Two of the busiest border crossing points were in Palanca, Moldova and Suceava in Romania. MWB were at both, providing much needed practical help with shelter, hot meals and clothing.

Many Ukrainian women and children have endured a year of separation from their husbands who are fight and sacrifice their lives on the battlefield, so in Palanca we hold twice-weekly meetings with them.

Serghei Lapaci, MWB Coordinator in Palanca, shared with us: **"We continue to do all we can do to encourage, pray and help in any needs these women have. You can see on their faces a terrible sorrow and longing for peace. We continue to pray for peace! Recently they decided to do something different, enjoying fellowship while doing some crafts. As they said, "flowers like in my garden", "birds that symbolise peace", "one year on, but it seems like 100 years already!"**



Photo: Refugees in Palanca, Moldova, March 2022



Wider refugee work (continued)

By September 2022, the majority of schools we work with in Ukraine had re-opened and since then MWB has been working to provide wider educational support for young people displaced by the war, including helping to establish a Ukrainian school in Romania, with school materials brought in by a team that travels to and from Ukraine.

At a school MWB support in Pluzhne, western Ukraine, the principal of the school commented, **"Our pupils face stress each time we have to send them to the basement during air raids or they hear news about war. Some of them have fathers, who fight for peace and victory. Visits from Nataliya (MWB Volunteer Coordinator) make our children so happy. MWB is our trusted friend and we hope for further cooperation very much!"**



Photo: Children at a school in Pluzhne enjoy a visit from Nataliya, our local volunteer Coordinator.



Our Wider
WORK

3,393 adults
we work with
began going to
church in
2022.

Wider refugee work (continued)



A full program of work was undertaken in 2022 by MWB in all countries other than Ukraine. Our work, generously supported by donations, continued to grow with an 8% increase in sponsored families in the program and a 12% increase in meals served through our Soup Kitchens, Street Mercy program and through our Children's Afterschool work. Our work is heavily dependent on identifying and working in close partnership with churches in Eastern Europe who share in our vision, and we were delighted to see this number grow 24% to 388.

Changing lives through education

Connecting young people with educational opportunities and breaking the cycle of poverty through our After School clubs and scholarships is an essential and developing part of our work. 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. Too-often families living in poverty stop their children from going to school so they can look after younger siblings while they go to work. This leaves children without critical literacy and other skills needed to develop and break generational family poverty.

Mission Without Borders works to combat this by supporting the education of children and adults through our sponsorship schemes as well as through the clubs and providing funding support for young people to go on vocational courses and scholarships.

In 2022 we were delighted to be able to fund an increasing number of scholarships as well as providing children with support including school materials such as back packs and items such as textbooks, notebooks, rulers, pens, pencils and markers.

Changing lives through education (continued)

These costs can be prohibitive for the families we work. Our autumn Back To School Appeal helped to fund **8,086** backpacks filled with school supplies as well as transport costs to school for a number of young people.

A large number of those we work with in Eastern Europe live in over-crowded homes that not only lack indoor bathroom facilities but any private space, it can be difficult for young people to find space to work to do their homework.

Over the course of the year, we helped **567** children through our After-School clubs. These provided nutritious meals as well as space to help with their learning during the year.

One of these is Vladut, in Romania. His favourite food is schnitzel, especially when it's made by Lena, one of our volunteer cooks.



Photo: Children at lunch at the Afterschool Club in Romania

“My dream is to become a doctor and a pastor,” Vladut said. **“A doctor to save people’s lives and a pastor to save their lives for eternity by introducing them to Christ.”**

Early in his life he was prayed over by his church and healed of a heart disease that he was born with. Now he is a healthy, happy child, who enjoys spending time with friends playing football. He loves school and reading the Bible, and his favourite story is of Peter walking on the water.

Paula, our local MWB Coordinator, explained, **“I am more than certain that if it wasn’t for MWB investing in the children’s lives in our community by supporting the After-school programme and equipping children like Vladut with all the school supplies they need, that 80% of them would have given up on their education a long time ago, or would have never even started school”**.



Photo: MWB Coordinator, Paula, presenting a backpack and school materials to Vladut

“Parents in the community are more than grateful for the programme which for most of them is the only way they’re able to keep their children in school.”

Surviving the winter

Winter 2022 is proving as challenging as last year, when the COVID pandemic brought hardship to so many of the communities MWB work in. This year it has been the fallout of the war in Ukraine and the higher fuel costs, along with steadily rising food costs that have made it so hard. Despite increasing supply challenges, the Mission was determined to do all it could to maintain the number of **Operation Christmas Love** food boxes distributed.

Surviving the winter (continued)

Our hope is that struggling children and families can have the opportunity to enjoy a Christmas meal and to receive the greatest gift of all – the message of hope given to us by the birth of Jesus Christ.

Here in the UK, we were overwhelmed by the kind generosity of churches and supporters from across the country, many who gave for the very first time. With support from Premier Christian Radio as well as other Christian media, we were able to raise more funds than ever before – over £100,000 – in support of our Operation Christmas Love Appeal.

As a result, MWB UK donors helped contribute to the Mission's goal of packing and delivering **42,000** Operation Christmas Love boxes across six countries in Eastern Europe, including **10,000** that were distributed around Ukraine. These contained essential food stuffs, along with some biscuits and treats, and a booklet carrying Christ's message of hope for the world.

Two refugee families, who fled from the war in Ukraine and are now being hosted in Moldova by a local church, heard about Mission Without Borders' Operation Christmas Love campaign and were eager to help.

"This is just such an amazing thing you're doing for people in need. I want to help as much as I can because Moldova has shown us so much love and care. God bless Moldova and God bless this Mission! ... I really enjoyed helping to pack all these parcels. Most of all, it was fantastic seeing the happiness of the people who received them, especially the children, who asked things like, 'Are there any sweets? What did you bring us today?'"

Sponsorships

Child and family sponsorship remains a great way to engage supporters around the world in the transformational work we are doing in Eastern Europe. Sponsorships build the emotional, physical and spiritual well-being of a whole family, making them stronger and more likely to succeed in breaking free from poverty and becoming more self-sufficient.

The challenge for MWB in the UK is to increase the number of supporters who sponsor a child or family. As awareness for the work and ministry of Mission Without Borders has grown, we have been grateful to many people who have shared in our vision and chosen to invest in a sponsorship, often for the first time. As a result, we have seen the number of UK sponsors grow by 15% in 2022.

Our sponsorship schemes not only ensure families and children are supported in their immediate needs for essential items such as food and hygiene products, but they also provide long-term emotional and spiritual support and care in the form of After-School Clubs for children, vocational training, scholarships and self-sufficiency schemes tailored to the needs of a family. This ensures that after a time of sponsorship they can become self-sufficient. By the end of 2022, **120** sponsored families had developed sufficiently to be provided with self-sufficiency schemes and a further **75** had become self-sufficient without the need for specific project help.

One of these is Alexei Ceban whose family is enrolled on Mission Without Borders family sponsorship programme. They live in a village near Palanca in Moldova. He and his wife have three children and although they are both hard-working, their income doesn't bring in enough money to survive on and they are grateful for MWB's ongoing support.

Sponsorships (continued)

When Alexei heard about the thousands of refugees crossing the border at Palanca from Ukraine and that MWB were working to help them, he wanted to volunteer.

He approached the MWB Coordinator in Palanca and said, **"I want to help however I can. What can I do?"** Alexei's help was hugely appreciated in making refugees comfortable either with short stay accommodation, hot meals or simply someone to talk with.

Stefanita, a grandmother from Moldova, has not only been caring for her two grandchildren Nicolae and Ilie, who live in desperate poverty, but also for five refugees from Ukraine. MWB has provided them all with donated goods, clothing and a Bible and will continue to support them with everything they can. The children have settled in well and have been enrolled in the local school and made new friends.

Vitalie Istrate, MWB's children's worker – who supports Nicolae and Ilie – said, **"When I visited them to bring them some donations, I asked, 'who sleeps on this bed?' They told me they were all huddled together, but they are safe. They have nothing left in Ukraine".**

"One of the older girls said, 'I hope everything will be fine and that we'll be able to go back to Ukraine, to our friends and to school, to everything we once had. I'm glad I'm with my brothers with a roof over our heads.'"



Photo: Alexei Caban, helping MWB in Palanca. Moldova



Photo: Stefanita in Moldova looking after her grandchildren and Ukrainian refugee children

Successful fundraising engagement and connection

2022 was a challenging year with the war in Ukraine resulting in severe disruption to our work in this war-torn country as we responded with emergency aid. We were humbled by the kindness of our UK supporters who generously responded to the unfolding crisis as well as the many individuals, churches and charitable trusts who gave to our work, often for the very first time.

As a result of this generosity, which also included corporate donations in kind, total voluntary income grew strongly to £3.48 million, some £1.1 million more than we had budgeted and £0.7 million more than was raised in the previous year. Whilst we recognise the progress that has been made in the last three years, with greater engagement with Christian audiences in generating awareness and funds, the need to maintain this momentum and nurture new income streams and funding opportunities to build brighter futures for children and families remains critical.

Successful fundraising engagement and connection (continued)

We believe in the power of prayer and MWB UK staff set aside time every week for devotions. Many of our own supporters join us virtually twice a year for prayer as well as through our bi-monthly prayer diary "Partnering in Prayer." Together, we have prayed for many areas of work including children and families caught up in the war in Ukraine, families struggling with health issues, children taking part in our Bible Correspondence courses as well as our summer camps.

We continued to progress in our **three** strategic priorities:

Growing the number of MWB supporters – 2022 saw a 68% increase in the number of donors, largely through an overwhelming response to our Ukraine War Appeal in March and our Operation Christmas Love box in the autumn which saw 42,000 children and families receive boxes of essential food and Christian literature. Our strategy of inserts, direct mail, radio ads and digital marketing has resulted in the number of active donors more than doubling in the last two years. We have also developed an email marketing list of people interested in MWB's work, growing from an initial list of under 700 to over 4,000 through various lead generation activities.

Building Supporter Engagement – The Ukraine War Appeal resulted in a significant increase in new supporters which we are now hoping to interest in the wider work of the charity, including sponsorship. We continued supporter development activities, including a donor reception at the House of Lords for the first time that was held in September. Our twice-yearly news magazine "**MWB Voice**", as well as an ongoing program of donor visits and telephone calls, updating people on the difference made by their donations, has also been warmly received.

Developing new partnerships – This year we were delighted to develop a sponsorship arrangement with Big Church Day Out, a Christian music festival, which took place in June. With 38,000 visitors attending the weekend, we were delighted by the opportunity to raise awareness of our ministry and plan to continue attendance at these types of Christian events in 2023.

The Ukraine war did prompt a surge of interest and support in our work from charitable trusts and foundations and we finished the year with an increase of 54% in the number of Foundations supporting us, many for the first time. Funds raised covered a variety of areas from new generators and a forklift truck for relief efforts in Ukraine, through to supporting educational programmes for poor and vulnerable children, Christian outreach programmes, elderly care, summer camps, supporting women in prison and working with Ukrainian refugees in Moldova, Romania and Bulgaria.

Relationships with UK churches and fellowships of all denominations are very precious to us at Mission Without Borders as the close working connections we have with churches in Eastern Europe are critical to the development of our work. Last year we saw the number of churches supporting us in the UK grow significantly, again largely in response to the Ukraine crisis. We remain deeply grateful for their support and hope this might be the start of an ongoing relationship with them. During 2022 we continued to invest in new resource materials including an Easter devotional booklet which was requested by over 1,000 new supporters.

Another encouragement this year has been the new relationships forged with the business community in securing a variety of products for shipment to our central warehouse in Sibiu, Romania.

Successful fundraising engagement and connection (continued)

These goods are then distributed to families and children in the different countries we work in according to our greatest need.

The Ukraine crisis prompted an outpouring of support from companies who provided shipments of bedding, toiletries, wheelchairs, hospital beds, dried food and medical supplies for which we are deeply grateful.

Finally, we continued to invest in digital marketing activities, which shone a light on the range of work the Mission undertakes in Eastern Europe. The war in Ukraine rapidly accelerated this work with powerful videos and photographs capturing the initial refugee flood west as well as the ongoing devastation of destroyed towns and cities and the work of the Mission in providing aid. As a result, we saw Facebook followers increase 14%, Instagram followers by 27% and growing success with online fundraising.

Fundraising with Care

This year, more than ever, we have been humbled by the generosity and engagement of all our supporters and their interest and concern for the children and families, churches and communities we serve in.

Our aim is to build on these already good relationships with our supporters, listening to how they wish to partner with us and highlighting other ways they can be involved through their time, treasure and talents. We always seek to explain why we need donations and are sensitive to their preferences. Whenever requested by supporters to opt out of communications from MWB, we seek to respond within 48 hours. We are also determined to respond to their kindness and inform them more about our ministry through inspiring conversations, either face to face or via telephone, receptions and visits.

We are now reaching many new supporters through online marketing, social media and the website as well as through a growing presence in Christian media and attendance at Christian festivals.

Mission Without Borders are members 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 2022, no complaints were received concerning our fundraising activity. Trustees engage with fundraising best practice and receive regular monthly and quarterly reports reviewing activity.

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. In 2022 a new privacy statement was developed, strengthening and clarifying data subjects' rights and their control over personal data. This statement is more informative and detailed than previous and has been further updated at the end of 2022 to enable the charity to focus communications with supporters in the most relevant way. We continue to publicise our privacy statements both online and in all printed marketing material that goes out. We 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

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 ongoing 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 investments into IT and digital systems to include developed data analysis and reporting tools and increase internal efficiency.
- ◆ Develop new fundraising offices.
- ◆ Explore opportunities to start programs in new countries in Eastern Europe.
- ◆ Support and invest in 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 2022 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 2022, the charity had a contingency fund of £60,000 and unrestricted general reserves of £369,355, supported by a cash balance of £449,708 and a working capital balance of £429,077.

As at 31 December 2022, the charity has a loan facility available of up to £350,000 from Mission Without Borders International. Because of the improvement in liquidity within the Mission, this facility has now been withdrawn by Mission Without Borders International.

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, governance and management (continued)

Structure

MWB is an independent charity which is part of a global network coordinated 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 several 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 to 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.

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.

Structure, governance and management (continued)

Management (continued)

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 our ministry 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 £3,481,106 in 2022 (2021 - £2,782,418), including donations in kind of £2,277,222 (2021 - £2,042,014), was applied to fund total expenditure of £3,438,298 (2021 - £2,590,955) which resulted in a surplus for the year of £42,808 (2021 - surplus of £191,463). Of this, £3,133,919 (2021 - £2,358,071) was expended in furtherance of our charitable activities, with £304,379 (2021 - £232,884) 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 in accordance 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 program needs.
- ◆ Meet exceptional expenses; and
- ◆ Meet any planned capital expenditure.

To that end, the trustees will regularly review and set a target reserve levels with a goal to increase reserve levels to the equivalent of three months normalized expenditure plus committed capital expenditure planned for the foreseeable future. The designated reserve as at 31 December 2022 is currently set at £60,000 representing approximately two months running costs. Excess reserves will be transferred to Mission Without Borders International for use in its programs.

General funds at 31 December 2022 are £369,355 (2021 - £319,697), of which free reserves were £367,975 (2021 - £316,855). 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 2022 were £1,102 (2021 - £7,952).

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; and
- ◆ 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 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).

Statement of trustees' responsibilities (continued)

- ◆ 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.

Chairman Michael Thomas
Michael Thomas (Apr 29, 2023 13:26 GMT+12)
Michael Thomas
Date: Apr 29, 2023

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 2022 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 2022 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.

Other information (continued)

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.

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

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

- ◆ 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. 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: 26 May 2023

Statement of financial activities (including income and expenditure account)
Year ended 31 December 2022

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2022 £	Unrestricted funds £	Restricted funds £	Total funds 2021 £
Income from:							
Donations and legacies	1	2,962,286	518,768	3,481,054	2,618,094	164,318	2,782,412
Investment income		52	-	52	6	—	6
Total income		2,962,338	518,768	3,481,106	2,618,100	164,318	2,782,418
Expenditure on:							
Raising funds	2	304,379	-	304,379	232,884	—	232,884
Charitable activities							
. Field programmes	3	2,573,938	525,618	3,099,556	2,143,625	156,366	2,299,991
. Education and information	3	34,363	-	34,363	58,080	—	58,080
Total expenditure		2,912,680	525,618	3,438,298	2,434,589	156,366	2,590,955
Net income (expenditure) and net movement in funds	4	49,658	(6,850)	42,808	183,511	7,952	191,463
Total funds at 1 January		379,697	7,952	387,649	196,186	—	196,186
Total funds at 31 December		429,355	1,102	430,457	379,697	7,952	387,649

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 2022

	Notes	2022 £	2021 £
Fixed assets			
Tangible assets	7	1,380	2,842
Current assets			
Debtors	8	22,056	16,448
Cash at bank and in hand		449,708	410,747
		471,764	427,195
Creditors: Amounts falling due within one year	9	(42,687)	(42,388)
Net current assets		429,077	384,807
Total net assets		430,457	387,649
The funds of the charity:			
Unrestricted funds			
. General funds		369,355	319,697
. Designated funds	12	60,000	60,000
Restricted funds	13	1,102	7,952
Total funds	15	430,457	387,649

Approved by the trustees and signed on their behalf by:

Michael Thomas
Trustee

Michael Thomas

Michael Thomas (Apr 29, 2023 13:26 GMT+12)

Approved on: Apr 29, 2023

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

Statement of cash flows Year to 31 December 2022

	Note	2022 £	2021 £
Cash flows from operating activities:			
Net cash provided by operating activities	A	38,909	313,274
Investment income		52	6
Purchase of equipment		-	(2,226)
Net cash provided by/(used in) investing activities		52	(2,220)
Change in cash and cash equivalents in the year		38,961	311,054
Cash and cash equivalents at 1 January	B	410,747	99,693
Cash and cash equivalents at 31 December	B	449,708	410,74

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

	2022 £	2021 £
Net movement in funds (as per the statement of financial activities)	42,808	191,463
Adjustments for:		
Depreciation charge (note 7)	1,462	1,271
Interest income	(52)	(6)
(Increase)/decrease in debtors (note 8)	(5,608)	114,958
Increase in creditors (note 9)	299	5,588
Net cash provided by operating activities	38,909	313,274

B Analysis of cash and cash equivalents

	2022 £	2021 £
Total cash and cash equivalents: Cash at bank and in hand	449,708	410,747

C Analysis of changes in net debt

	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash at bank and in hand	410,747	38,961	449,708
Total	410,747	38,961	449,708

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 2022 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 2023 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 page 17).

Assessment of going concern (continued)

This includes the level of free reserves at 31 December 2022, and a reasonable level of liquid reserves available as at 31 December 2022. 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 seeks 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 specifically 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 2022 £	Total 2021 £
Donations receivable	627,779	518,768	1,146,547	597,081
Corporate donations (donations in kind)	2,277,222	—	2,277,222	2,042,014
Legacies	57,285	—	57,285	143,317
2022 Total funds	2,962,286	518,768	3,481,054	2,782,412
		Unrestricted funds £	Restricted funds £	Total 2021 £
Donations receivable		432,763	164,318	597,081
Corporate donations (donations in kind)		2,042,014	—	2,042,014
Legacies		143,317	—	143,317
2021 Total funds		2,618,094	164,318	2,782,412

2 Expenditure on raising funds

	Unrestricted funds	
	2022 £	2021 £
Staff costs	136,226	99,470
Direct fundraising costs	150,189	116,914
Premises and office costs	17,964	16,500
	304,379	232,884

3 Expenditure on charitable activities

	Field programme				Total 2022 £
	Family care £	Child care £	Child & family sponsorship £	Education and information £	
Direct costs					
Cash donations for fieldwork	486,623	143,122	95,915	—	725,660
Donations in kind transfer for fieldwork	1,252,901	1,025,101	—	—	2,278,002
Staff costs	—	—	—	30,921	30,921
Other direct costs	90	73	—	3,442	3,605
	1,739,614	1,168,296	95,915	34,363	3,038,188
Support costs					
Staff costs	16,983	16,983	14,557	—	48,523
Office costs	8,798	8,798	7,542	—	25,138
Premises costs	2,027	2,027	1,737	—	5,791
	27,808	27,808	23,836	—	79,452
Governance costs					
Staff costs	894	894	766	—	2,554
Office costs	463	463	397	—	1,323
Premises costs	107	107	91	—	305
Audit fees	4,116	4,116	3,528	—	11,760
Legal and accountancy	118	118	101	—	337
	5,698	5,698	4,883	—	16,279
	1,773,120	1,201,802	124,634	34,363	3,133,919

3 Expenditure on charitable activities (continued)

	Field programme				
	Family care £	Child care £	Child & family sponsorship £	Education and information £	Total 2021 £
<i>Direct costs</i>					
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
	<u>1,190,436</u>	<u>967,858</u>	<u>77,838</u>	<u>58,080</u>	<u>2,294,212</u>
<i>Support costs</i>					
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
	<u>17,631</u>	<u>17,631</u>	<u>15,114</u>	<u>—</u>	<u>50,376</u>
<i>Governance costs</i>					
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
	<u>4,719</u>	<u>4,719</u>	<u>4,045</u>	<u>—</u>	<u>13,483</u>
	<u>1,212,786</u>	<u>990,208</u>	<u>96,997</u>	<u>58,080</u>	<u>2,358,071</u>

4 Net income (expenditure)

This is stated after:

	2022 £	2021 £
Staff costs (note 6)	218,224	175,515
Auditor's remuneration		
. Audit Fees	11,760	10,494
Depreciation	1,462	1,271
Operating lease rentals	16,120	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 (2021 - £nil).

6 Staff costs

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

	2022 No.	2021 No.
Field programme	2	1
Fundraising	2	2
Administration	2	2
	<u>6</u>	<u>5</u>

6 Staff costs (continued)

The employment costs were as follows:

	2022 £	2021 £
Wages and salaries	193,660	156,975
Social security costs	18,796	14,278
Pension costs	5,768	4,262
	218,224	175,515

The number of employees earning £60,000p.a. or more was:

	2022 No.	2021 No.
£60,000-£69,999	1	—

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 £117,331 during the year (2021 - £113,431).

7 Tangible fixed assets

	Furniture, fittings and office equipment £
Cost	
At 1 January 2022	15,511
Additions	—
At 31 December 2022	15,511
Depreciation	
At 1 January 2022	12,669
Charge for the year	1,462
At 31 December 2022	14,131
Net book value	
At 31 December 2022	1,380
At 31 December 2021	2,842

8 Debtors

	2022 £	2021 £
Gift Aid recoverable	7,813	—
Other debtors	8,337	7,425
Prepayments and accrued income	5,906	9,023
	22,056	16,448

9 Creditors: amounts falling due within one year

	2022 £	2021 £
Other creditors	16,779	22,233
Taxation and social security creditor	5,025	5,045
Pension contributions	4,850	3,966
Accruals	16,033	11,144
	42,687	42,388

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 2022, and with a value of £2,277,222 (2021 - £2,042,014), 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 £843 (2021 - £2,652) in relation to the acquisition and transfer of these goods and other general expenses. As at 31 December 2022, MWBI owed Mission Without Borders £8,337 (2021 - £7,425) 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 £725,660 (2021 - £191,139).

One trustee of the charity holds a remunerated position in MWBI (Stephen Young - International Chief Executive Officer, MWBI). The charity has actively sought out his representation on the board of trustees for his expertise and understanding of the Mission.

The trustees and key management personnel of the charity donated a combined total of £2,199 before Gift Aid to the charity in the year (2021 - £3,896).

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. During 2022, as Mission Without Borders had not drawn down any of the available facility and as its available liquid resources had significantly improved, this loan facility was withdrawn by Mission Without Borders International.

12 Designated funds

	At 1 January 2022 £	New designations £	Utilised/ released £	At 31 December 2022 £
Contingency fund	60,000	—	—	60,000

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

13 Restricted funds

	At 1 January 2022 £	Income £	Expenditure £	At 31 December 2022 £
Child Care	2,860	53,743	(53,103)	3,500
Family Care	5,092	369,110	(376,600)	(2,398)
Child & Family Sponsorship	—	95,915	(95,915)	—
	7,952	518,768	(525,618)	1,102

	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

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 program 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 program is to meet basic needs of poor and disadvantaged families that reside in selected communities in Eastern Europe. The deficit on this fund as at 31 December 2022 is due to expenditure on a specifically funded item being made in advance of all pledges being received.

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 program 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 program 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	
	2022	2021
	£	£
Expiring:		
. Within one year	16,210	16,210

15 Analysis of net assets between funds

	Unrestricted funds		Restricted funds	Total funds
	General funds	Designated funds		
	£	£	£	£
At 31 December 2022				
Tangible fixed assets	1,380	—	—	1,380
Current assets	410,662	60,000	1,102	471,764
Current liabilities	(42,687)	—	—	(42,687)
	369,355	60,000	1,102	430,457

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

16 Post balance sheet events

To the best of our knowledge, there are no post balance sheet events that require disclosure or amendment. The trustees continue to monitor the situation in Ukraine and at the date of signing this report are confident that its programs will continue.