

Charity registration number: NIC102665
Company registration number: NI636953

European Christian Mission Ireland
(A company limited by guarantee)
Annual Report and Audited Financial Statements
Year Ended 31 December 2022

European Christian Mission Limited

Financial Statements

Year Ended 31 December 2022

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European Christian Mission Ireland

Charity Reference and Administrative Details

Year Ended 31 December 2022

Charity registration number NIC102665

Company registration number NI636953

Trustees

Rev Albert Baxter
Mr Andrew Green
Mr Andrew Graham McCormick
Mr John Leslie Patterson
Miss Jean Tubman
Rev Thomas Alastair McNeely
Mr Geoffrey Baxter McIlrath
Ms Lorraine Moore (Appointed 01/03/2023)

Secretary Mr Geoff Donaldson (Appointed 01/01/2023)

Registered office

3 Ballymacross Avenue
Lisburn
Co Antrim
BT28 2GX

The charity is incorporated in Northern Ireland

Auditors

Barry Thompson and Company
76-78 Church Street
Portadown
BT62 3EU

Accountants

Thomas Oliver & Associates Ltd
1 Moygashel Mills Park
Dungannon
BT71 7DH

European Christian Mission Ireland

Trustees' Annual Report (Including Directors Report)

Year Ended 31 December 2022

The Trustees present their report and the audited financial statements of the European Christian Mission Ireland for the year ended 31 December 2022. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

Trustees of the charity

The directors of the charitable company are its trustees for the purposes of charity law. The trustees who have served during the year and since the year end were as follows:

Rev Albert Baxter
Mr Andrew Green
Mrs Christina Clydesdale (Resigned 31/12/2022)
Mr Andrew Graham McCormick
Mrs Audrey McIvor (Resigned 31/12/2022)
Mr John Leslie Patterson
Miss Jean Tubman
Rev Thomas Alastair McNeely
Mr Geoffrey Baxter McIlrath
Mr Peter John Smyth (Resigned 31/12/22)
Ms Lorraine Moore (Appointed 01/01/2023)

Structure, governance and management

The charity was incorporated as a company limited by guarantee on 8 March 2016. The company is exempt under the legislation from using 'limited' as part of its name.

The charity is registered with The Charities Commission for Northern Ireland, NIC102665. The charity is controlled by its trustees who are directors of the company for the purposes of the Companies Act 2006 and is governed by the provisions contained within the Memorandum and Articles of Association.

All trustees are members of the charitable company and stand as guarantors of the charitable company in the sum of £1 each.

There can be up to twelve trustees. Once appointed, trustees serve for a period of four years. At least two trustees are appointed by the existing board and at least one by the member of the mission at the annual general meetings.

Affiliation

European Christian Mission Ireland is in a covenant agreement with ECM (International) and the terms of this relationship are set out in a Covenant agreement signed by both parties.

The board of trustees of ECM (International) is the overall governing body responsible for doctrinal and spiritual principles and the general direction and development of ministries in Europe. The trustees of European Christian Mission Ireland are responsible for the promotion of work in Ireland, the recruitment and member care of personnel and the raising of resources to further the objectives of the charitable company in Europe.

Objectives and activities

The principal activities of the charity are to promote ministries of evangelism, church planting and church development in Europe along with their associated social action projects. It also seeks to recruit, train, send, support and care for workers called and equipped to fulfil such ministries.

Trustees' Annual Report (Including Directors Report)

Year Ended 31 December 2022

Public benefit statement

Under the Public Benefit guidelines, for religion to be charitable, it must be 'advanced', i.e. promoted or extended. As our charitable objects include the evangelisation of the peoples of Europe, and the establishing and strengthening of evangelical churches across Europe, we consider that we meet this definition. The identifiable benefits include the transformation of lives through the gospel of Jesus Christ, and the fellowship, friendships and relationships created or restored through participation in the life of a local church. Furthermore, the outworking of the Gospel of Jesus Christ by the newly established Christian communities tends to the promotion of the relief of poverty and sickness and the propagation of positive ethical values. These benefits are available to members of the public from all levels of social life across Europe, as we work in communities ranging from the affluent, such as in Austria, through to the very needy, such as in Bosnia. There is no private benefit or harm flowing from the purposes.

Achievements and performance

ECM Ireland's principal activity is that of Christian missionary work in Europe, specifically the support of church-planting and discipleship through ECM (International). The ongoing focus in 2022 was in the areas of promotion of service opportunities in Europe, recruiting new mission workers, care for existing mission workers, encouragement of prayer and giving for Europe.

ECM's Mission Statement

ECM's mission statement is to 'equip, connect, and multiply followers of Jesus through church planting and discipleship across Europe.

The mission statement can be expanded upon and explained more clearly through the three key words of "Equip, Connect, Multiply".

EQUIP

We identify people's God-given gifts and abilities and develop them into ministry and leadership.
We train people to live out and speak out the good news where they are.
We lovingly care for people, so they thrive in both life and ministry.

CONNECT

We build networks so that God's resources in one place can extend his kingdom in another.
We encourage people to work in teams, so their ministries have greater impact.
We actively work together and form partnerships as a way of showing the unity of Christ's church.

MULTIPLY

We mobilise and inspire people for God's mission in Europe.
We challenge people to become disciples of Jesus who themselves make more disciples.
We make possible the planting of healthy churches that reproduce naturally.

HUMAN RESOURCES

Office Staff

In 2021 there were three part time staff and two volunteers.

Missionaries and Associate Members

The core business of the mission continues to be the recruitment and support of workers who serve the church in Europe. At the end of 2021 ECM Ireland was supporting 39 members serving in Kosovo, Slovenia, Serbia, Poland, Portugal, Spain, Ireland, Greece, and Germany.

Projects

Projects for which significant funds were raised during 2021 - 'The Greek Bible College' and 'What's the Story?' project in Ireland.

Trustees' Annual Report (Including Directors Report)

Year Ended 31 December 2022

Promotion and Communications.

ECM Ireland has continued to make known the spiritual needs of Europe known through our website, social media, monthly prayer diary, tri-annual ECM Life magazine, videos and through a variety of speaking engagements.

Financial review

The results for the year are detailed on page 10 of the financial statements. The net income for 2022 is £87,664 (2021 - £48,102).

The balance on unrestricted funds at 31 December 2021 was £90,156 (2021 - £44,068) with a proportion of this made up of property capital being £62,000. The balance on restricted funds at 31 December 2022 was £364,329 (2021 - £322,753) and all of this is included in the bank balances at the year end.

Plans for the future

Recruitment:

We have three Candidates who are currently applying for membership.

We have two Short Term Candidates going to Greece and to Ireland in June 2022.

We have one team that is currently planned for 2022. A 'Pastors to Pastors' Team, which aims to encourage national workers in their knowledge of God, and to build up prayer contact and other support for their ministries.

We will continue to follow up any enquiries from those who have an interest in working long or short term in Europe.

Office Management:

ECM Ireland is seeking to appoint an Operations Manager and a Communications and Supporter Relations Manager who will oversee the overall running of the ECM Ireland office.

Partnering with others:

Continue to build and develop partnerships within ECM and with other Christian organisations through MAP, IMAP and Global Connections.

Communications:

To sharpen our communications via the channels mentioned above.

Member Care:

Continue to support and equip our members who are involved in Church planting and discipleship in Europe.

Reserves Policy

The income of the charity is considered stable and the risks associated with any significant reduction of income is regarded as unlikely. The trustees are satisfied that the level of reserves stated in the accounts will ensure, that in the event of a significant decrease in funding they will be able to continue the charities current activities.

Trustees' responsibilities

The trustees (who are also directors of European Christian Mission Ireland for the purposes of company law) are responsible for preparing the Trustees' Annual 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 incoming resources and application of resources, including 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 the Charities SORP 2015 (FRS 102)
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

European Christian Mission Ireland

Trustees' Annual Report (Including Directors Report)

Year Ended 31 December 2022

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.

Disclosure of information to the auditors

We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

On behalf of the board



Miss Jean Tubman, Trustee

25 September 2023

Independent Auditor's Report

Year Ended 31 December 2022

Independent Auditor's Report to the trustees of The European Christian Mission Ireland

Opinion

We have audited the financial statements of The European Christian Mission Ireland (the 'charitable company') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102. The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021, and of its incoming resources and application of resources, including 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

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

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

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

Other information

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

We have nothing to report in this regard.

(Continued)

Independent Auditor's Report to the trustees of The European Christian Mission Ireland (continued)

Opinion 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 (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors report included within 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 directors' 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 returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 5, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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.

Independent Auditor's Report

Year Ended 31 December 2022

Independent Auditor's Report to the trustees of The European Christian Mission Ireland (continued)

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:

- Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. 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.



Barry Thompson (Senior Statutory Auditor)
for and on behalf of Barry Thompson and Company
Chartered Accountants and Statutory Auditors
76-78 Church Street
Portadown
Co Armagh
BT62 3EU

25 September 2023

European Christian Mission Ireland

Statement of Financial Activities
Including Income and Expenditure Account

Year Ended 31 December 2022

	Note	Unrestricted funds £	Restricted funds £	2022 Total £	2021 Total £
Income from:					
Donations and legacies	2	75,882	682,179	758,061	629,412
Investment income	3	610	-	610	4,649
Other income	4	5,573	-	5,573	-
Total income		82,065	682,179	764,244	634,061
Expenditure on:					
Charitable activities	5	160,949	514,828	675,777	585,590
Other expenditure		803	-	803	369
Total expenditure		161,752	514,828	676,580	585,959
Net (expenditure)/income		(79,687)	167,351	87,664	48,102
Transfers between funds	14	125,775	(125,775)	-	-
Net movement in funds	14	46,088	41,576	87,664	48,102
Reconciliation of funds:					
Total funds brought forward	14	44,068	322,753	366,821	318,719
Total funds carried forward	14	90,156	364,329	454,485	366,821

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

All income and expenditure derive from continuing activities.

European Christian Mission Ireland

Balance Sheet


Year Ended 31 December 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	11	64,485	63,516
		<u>64,485</u>	<u>63,516</u>
Current assets			
Debtors	12	17,019	18,912
Cash at bank and in hand		376,772	288,560
		<u>393,791</u>	<u>307,472</u>
Creditors: amounts falling due within one year	13	(3,791)	(4,167)
Net current assets		<u>390,000</u>	<u>303,305</u>
Net assets		<u>454,485</u>	<u>366,821</u>
Charity Funds			
Restricted funds	14	364,329	322,753
Unrestricted funds	14	90,156	44,068
Total charity funds	14	<u>454,485</u>	<u>366,821</u>

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

The financial statements were approved and authorised for issue by the Board on 12 September 2023.

Signed on behalf of the board of trustees.


Miss Jean Tubman, Trustee

25 September 2023

The notes on pages 13 to 21 form part of these financial statements.

Companies Registration No. NI636953

European Christian Mission Ireland

Statement of Cash Flows

Year Ended 31 December 2022

	Note	2022 £	2021 £
Net cash flows from operating activities	16	87,664	48,102
Cash flow from investing activities			
Interest receivable and similar income		(610)	(64)
Depreciation		803	369
		<u>87,857</u>	<u>48,407</u>
Working capital adjustments			
Decrease(increase) in debtors		1,893	(13,392)
Decrease in creditors		(376)	(61)
		<u>89,374</u>	<u>34,954</u>
Cash flows from investing activities			
Interest receivable and similar income		610	64
Purchase of tangible fixed assets		(1,772)	(1,361)
		<u>(1,162)</u>	<u>(1,297)</u>
Net increase in cash and cash equivalents		88,212	33,657
Cash and cash equivalents at 1 January		288,560	254,903
Cash and cash equivalents at 31 December		<u>376,772</u>	<u>288,560</u>

1 Summary of significant accounting policies

(a) General information and basis of preparation

European Christian Mission Ireland is a charity limited by guarantee and consequently does not have share capital. In the event of the charity being wound up, the trustees are not liable to contribute anything towards the assets of the charity. The address of the registered office is given in the charity information on page 2 of these financial statements.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2020, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act (Northern Ireland) 2008, the Companies Act 2006 and UK Generally Accepted Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy. The financial statements are presented in sterling which is the functional currency of the charity.

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

(b) Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

(c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received.

For donations and grants to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity, and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably, and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example, the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

(c) Income recognition (continued)

Income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

(d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Expenditure on charitable activities includes all costs incurred by the charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries; and
- Other expenditure represents those items not falling into the category above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

(e) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities. They are incurred directly in support of expenditure on the objects of the charity. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

(f) Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Fixtures, fittings and equipment	25% straight line
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Investment properties are measured at fair value at each reporting date with changes in fair value recognised in 'net gains / (losses) on investments' in the SoFA.

(g) Debtors and creditors receivable / payable within one year

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

(h) Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

(i) Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

(j) Foreign currency

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate.

(k) Employee benefits

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

(l) Tax

The charity is an exempt charity and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

(m) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

(n) Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

2 Income from donations and legacies

	Unrestricted Funds Designated £	General £	Restricted Funds £	2022 £	2021 £
Legacies	-	-	-	-	-
Gift aid	1,808	1,972	44,419	48,199	52,361
Regular giving and capital donations	52,049	20,053	637,760	709,862	576,061
	<u>53,857</u>	<u>22,025</u>	<u>682,179</u>	<u>758,061</u>	<u>629,412</u>

Income from donations and legacies was £758,061 (2021 - £629,412) of which, £682,179 (2021- £598,764) was attributable to restricted and £75,882 (2021 - £30,648) was attributable to unrestricted funds.

3 Income from Investments

	Unrestricted £	Restricted £	2022 £	2021 £
Interest – deposits	610	-	610	64
Rental income	5,573	-	5,573	4,585
	<u>6,183</u>	<u>-</u>	<u>6,183</u>	<u>4,649</u>

Income from investments was £6,183 (2021 - £4,649) of which £nil (2021 - £nil) was attributable to restricted funds and £6,183 (2021 - £4,649) was attributable to unrestricted funds.

4 Other income

	Unrestricted £	Restricted £	2022 £	2021 £
Fee income	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Other income was £nil (2021 - £nil) of which £nil (2021 - £nil) was attributable to restricted and £nil (2021 - £nil) was attributable to unrestricted funds.

Notes to Financial Statements

Year Ended 31 December 2022

5 Analysis of expenditure on charitable activities

	Unrestricted £	Restricted £	2022 £	2021 £
<u>Missionary support</u>				
missionary allowances, expenses and projects	55,384	514,828	570,212	491,465
Employment costs	-	-	-	-
<u>Support and administration</u>				
Employment and associated costs	51,098	-	51,098	42,624
Premise costs	9,665	-	9,665	9,426
Office costs	7,100	-	7,100	11,788
Promotion, printing, postage and stationery	8,175	-	8,175	4,380
Subscription	955	-	955	525
Sundry and other costs	1,819	-	1,819	717
Management fee	19,599	-	19,599	17,614
Travel and subsistence	2,695	-	2,695	855
Bank charges	379	-	379	316
Foreign currency gains/losses	(720)	-	(720)	2,390
Governance costs	4,800	-	4,800	3,490
	<u>160,949</u>	<u>514,828</u>	<u>675,777</u>	<u>585,590</u>

Expenditure on charitable activities was £585,590 (2021 - £585,590) of which £514,828 (2021 - £487,022) was attributable to restricted and £160,949 (2021 - £98,568) was attributable to unrestricted funds.

6 Analysis of governance costs

	Unrestricted £	Restricted £	2022 £	2021 £
Audit	2,400	-	2,400	2,400
Accountancy	1,740	-	1,740	1,090
Legal fees	660	-	660	-
	<u>4,800</u>	<u>-</u>	<u>4,800</u>	<u>3,490</u>

£4,800 (2021 - £3,490) of the above costs were all attributable to unrestricted funds.

7 Net income for the year

Net income is stated after charging:

	2022 £	2021 £
Depreciation	<u>803</u>	<u>369</u>

8 Auditor's and Accountancy remuneration

The auditor's remuneration amounts to an audit fee of £2,400 (2021 - £2,400) and accountancy services of £1,740 (2021 - £1,090).

9 Trustees' remuneration and expenses

The trustees neither received nor waived any remuneration during the year.

10 Staff costs and employee benefits

The total staff costs and employee benefits were as follows:

	2022 £	2021 £
Wages and salaries	49,923	41,704
Defined contribution pension costs	1,175	920
	<hr/> 51,098	<hr/> 42,624

The average number of employees during the year was 4 (2021 – 4).

No employees received total employee benefits (excluding employer pension costs) of more than £60,000.

11 Tangible fixed assets

	Investment property	Fixtures and fittings	Computer Equipment	Total
	£	£	£	£
Cost:				
At 1 January 2022	62,000	9,482	2,610	74,092
Additions	-	-	1,772	1,772
Disposals	-	-	-	-
At 31 December 2022	62,000	9,482	4,382	75,864
Depreciation:				
At January 2022	-	9,482	1,094	10,576
Charge for the year	-	-	803	803
Eliminated on disposals	-	-	-	-
At 31 December 2022	-	9,482	1,897	11,379
Net book value:				
At 31 December 2022	62,000	-	2,485	64,485
At 31 December 2021	62,000	-	1,516	63,516

At the year end Investment properties have been valued by the trustees using rental yields and the sale of other properties in the area. It has been deemed that the above value is appropriate.

12 Debtors

	2022 £	2021 £
Prepayments and accrued income	15,907	17,300
Other debtors	1,112	1,612
	<u>17,019</u>	<u>18,912</u>

13 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	291	167
Other tax and social security	-	-
Accruals and deferred income	3,500	4,000
	<u>3,791</u>	<u>4,167</u>

Notes to Financial Statements

Year Ended 31 December 2022

14 Fund reconciliation

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers £	Balance at 31 December 2022 £
Unrestricted Fund					
General	41,052	28,208	(106,626)	117,344	79,978
Designated	3,016	53,857	(55,126)	8,431	10,178
	44,068	82,065	(161,752)	125,775	90,156
Restricted Fund					
Restricted income fund	322,753	682,179	(514,828)	(125,775)	364,329
	366,821	764,244	(676,580)	-	454,485
	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 December 2021 £
Unrestricted Fund					
General	85,806	31,895	(95,034)	18,295	41,052
Designated	4,317	3,312	(3,903)	(710)	3,016
	90,123	35,297	(98,937)	17,585	44,068
Restricted Fund					
Restricted income fund	228,596	598,764	(487,022)	(17,585)	322,853
	318,719	634,061	(585,959)	-	366,821

Fund descriptions

a) Unrestricted funds

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

b) Restricted funds

Restricted funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose. The restricted funds relate to humanitarian aid.

c) Transfer of Restricted funds to Unrestricted funds as shown are allowed based on the General Principles included in the company's Financial Policy and ECM constitution.

15 Analysis of net assets between funds

	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fixed assets	64,485	-	-	64,485
Current assets	29,402	-	364,329	393,731
Creditors less than one year	(4,167)	-	-	(3,791)
Total	44,068	-	322,753	454,485

15 Analysis of net assets between funds (continued)

	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fixed assets	63,516	-	-	63,516
Current assets	(15,281)	-	322,753	307,472
Creditors less than one year	(4,167)	-	-	(4,167)
Total	44,068	-	322,753	366,821

16 Reconciliation of net income to net cash flow from operating activities

	2022 £	2021 £
Net (expenditure)/income for the year	87,664	48,102
Rents received from property	(5,573)	(4,545)
Interest receivable	(610)	(64)
Depreciation	803	369
(Increase)/decrease in debtors	1,893	(13,392)
Increase/(decrease) in creditors	(376)	(61)
Net cash flow from operating activities	83,801	30,369

17 Pensions and other post-retirement benefits**a) Defined contribution pension plans**

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £1,175 (2021 - £920).

The defined contribution liability is allocated to unrestricted funds and in expenditure on raising funds.

18 Related party transactions

There are no related party transactions during the period.

19 Events after the reporting period

At present the trustees do not envisage the Covid-19 pandemic will result in a significant adverse impact for the charity, however given that the outcome of the Covid-19 pandemic is uncertain we acknowledge that a definitive assessment of its impact cannot be made at this time.