

**European Christian Mission (International)**

**Financial Statements**

**Year ended 31 December 2010**

**Charity Number 1064037**

**Company Number 3341959**

# European Christian Mission (International)

## Contents

For the year ended 31 December 2010

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# European Christian Mission (International)

## Report of the Trustees For the year ended 31 December 2010

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The Trustees (directors) have pleasure in presenting their report, together with the financial statements for the year ended 31 December 2010.

### Legal and administrative matters

European Christian Mission International is a "Company Limited by Guarantee having no Share Capital", company no: 3341959, registered with the Charity Commission, charity no: 1064037, and is governed by the provisions contained within the Memorandum and Articles of Association.

### Trustees and Directors

Johan Lukasse	President and Chairman of the Board. Re-elected 12 <sup>th</sup> April 2010
Samuel Van Der Maas	Vice-President. Re-elected 12 <sup>th</sup> April 2010
Jim Bosma	Resigned 11 <sup>th</sup> April 2010
Martyn Eden	
Christopher Jack	
Timothy Lewis	Treasurer. Re-elected 12 <sup>th</sup> April 2010
Dennis Burkholder	
Anne Hudson	Elected 12 <sup>th</sup> April 2010
Guido Braschi	Elected 12 <sup>th</sup> April 2010
Alan Taylor	Elected 12 <sup>th</sup> April 2010
Akos Bukovsky	Elected 12 <sup>th</sup> April 2010

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

Under the Memorandum and Articles of Association adopted on 26 April 2006, the number of Trustees must be at least five and not more than twelve. Trustees are elected by the members of the charitable company in General Assembly every two years and serve for a period of up to four years. Details of the qualifications for nomination as a Trustee are circulated to the members of the Mission and nominations requested 6 months before the date of the next General Assembly. After election, new Trustees are introduced to "The Good Trustee Guide" and briefed on the operations of the Mission by the International Director.

### The registered office is:

European Christian Mission (International)  
Carnarvon  
Rising Lane  
Lapworth  
Solihull  
B94 6JE

### The principal bankers are:

Barclays Bank plc  
PO Box 42  
Spring Villas  
Cliftonville  
Northampton

# European Christian Mission (International)

## Report of the Trustees For the year ended 31 December 2010

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### The solicitors are:

Anthony Collins  
Solicitors  
Chartered Accountants  
134 Edmund Street  
Birmingham  
B3 2ES

### The independent examiner is:

Ed Marsh ACA DChA  
Burton Sweet Chartered Accountants  
Pembroke House  
15 Pembroke Road  
Clifton  
Bristol BS8 3BA

### Objects

The charity's object is the advancement of the Christian faith in Europe and elsewhere by means of:

- the evangelism of the peoples of Europe, irrespective of background, creed, nationality and current place of residence;
- the encouragement and strengthening of evangelical churches throughout Europe;
- the establishment of evangelical churches; and
- demonstrating the Gospel of Jesus Christ through the relief of poverty and sickness.

### Purpose and vision

#### *Purpose Statement*

Our purpose is to glorify God by the planting and developing of churches which evangelise and disciple the peoples of Europe.

#### *Vision Statement*

Our vision is to see second generation churches planted in all our fields by 2010.

During 2010 these statements have been under review and we anticipate revised statements early in 2011 as part of 'The Way Ahead – 2011 to 2015'.

### Organisation

The company adopted a new Constitution on 26 April 2006 and amended its Memorandum and Articles of Association accordingly.

### Membership

Under this Constitution, membership of the Company was defined on an individual basis as follows:

- Every Field Missionary (including both husband & wife for couples)
  - Every Member of Sending Section Staff so designated by their Director
  - Every Member of International Staff
  - Every Trustee and every nominee for the role of Trustee of ECM International
  - Every Sending Section Council Member
  - One Representative of each Partner Agency with whom we have a signed agreement
  - Representatives of sending Churches selected by each Sending Section
  - Representatives of selected Churches planted by ECM
  - Members who do not fall into the above categories but who have exceptionally been appointed by the Trustees in accordance with Article 3 of the Memorandum and Articles of the Mission
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# **European Christian Mission (International)**

## **Report of the Trustees**

**For the year ended 31 December 2010**

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In all of these categories, individuals must complete an application in a form approved by the Trustees and have signed the ECM International Statement of Faith in order to qualify for membership.

### **National ECM Bodies**

Under the new Constitution, national representations of ECM are required to sign a Covenant agreeing with the Principles and Practices, Purpose and Strategy of ECM International in order to use the name and logo of the Mission. The following National representations of ECM International have signed such a Covenant: MCE Agencia Misionera, ECM Albania, ECM Australia, ECM Austria, ECM Bosnia, ECM Britain, ECM Croatia, ECM France, MCE France, ECM Germany, ECM Ireland, ECM Italy, ECM Netherlands, ECM Poland, ECM Republic of Ireland, ECM Serbia, MCE Spain, ECM Sweden, ECMI-USA, ECM Kosova, ECM Romania, MCE Portugal. MCE Brazil Sending Section is registered in the name of ECM but has not yet signed the required Covenant. ECM Brazil continues to be supported through visits by ECM personnel from Europe. ECM has representatives in Guatemala who have sent and support missionaries in Spain. The Trustees are continuing to explore the possibility of forming a Sending Section in Korea. It is anticipated that ECM Brazil and a future Sending Section in Korea will formally sign a Covenant agreement with ECM International in due course.

### **Partnerships**

ECM International works in partnership with other missions and agencies for the provision of resources, personnel and finance. Our major partners in the provision of personnel are Deutsche Missionsgemeinschaft (DMG), Swiss Missionary Fellowship (SMG) and Liebenzell International Mission from Germany. We also partner with a number of national associations for our church planting ministries in Europe. Formal Partnership Agreements have been signed with France Mission, FIEIDE (Spain), Bund Evangelikaler Gemeinden Österreich (Austria) and Belgian Evangelical Mission. During 2010 we signed covenant agreements with the Swedish Covenant Church and with the Baptist Union of Hungary. A revision to our agreement with France Mission is still anticipated.

### **Governing Body**

The governing body of ECM International is the Board of Trustees which is elected by the members of the charitable company meeting in General Assembly.

### **Trustees' meetings**

The trustees met on 9<sup>th</sup> April 2010 and on 4<sup>th</sup> November 2010.

The responsibilities of the Trustees are set out in the Governance Manual of ECM International. The trustees dealt with all the required business of ECM International, recording minutes of their meetings.

# European Christian Mission (International)

## Report of the Trustees For the year ended 31 December 2010

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### **Appointment of new trustees**

5 Trustees resigned and 4 were re-elected on 12<sup>th</sup> April 2010. Jim Bosma did not put his name forward for re-election. 4 new Trustees were elected at the General Assembly on 12<sup>th</sup> April 2010: Anne Hudson, Guido Braschi, Alan Taylor and Akos Bukovsky.

### **Public benefit**

The board is aware of the provisions of the Charities Act 2006 concerning public benefit, the guidance published by the Charity Commission on this subject and the obligation to report on ways in which they believe ECM International meets the public benefit requirement established by the Act. Fuller details of ECM International's objectives and the activities undertaken in support of those objectives will be found in other sections of this report. The board believe that the charity's church planting and associated activities advance religion by expressing God's concern for the spiritual and physical needs of all people. Our activities provide a means by which people of any faith, or none, can gain an awareness of Christian belief and lifestyle and can gain support and assistance with difficulties or pressures they may be facing in everyday life whether that be spiritual needs, health issues, educational requirements, family issues or personal problems. Our church related activities bring us into contact with people in and around the communities where we are located and we provide guidance, assistance and comfort to all people irrespective of their social, economic, ethnic or religious background.

### **Corporate policy**

Church-planting remained the principal activity of the Mission in 2010. Resourcing remains a major priority and initiatives continue to be pursued by the Resource Development Team and the Field Ministries team. The 10 year plan in 'The Way Ahead' came to a close in 2010 and discussions of future plans were held at the General Assembly in April 2010. At the time of writing a revised Way Ahead document containing plans up to 2015 was almost ready to be published.

ECM International continues to support the nationwide initiative in Poland under the name of *Realna Nadzieja* or 'Real Hope for Poland'. The leadership of this project is now entirely Polish. The impact of this has been felt well beyond the borders of Poland with initiatives being taken in other western countries where Polish workers have settled. Feasibility studies for reopening the work of ECM in Hungary and Slovenia have produced positive initial conclusions. The Field Ministries Team approved a plan in September 2008 for a partnership with the Hungarian Baptist Union to re-open the work in Hungary. An agreement with the Baptist Union was signed in April 2010 and a Hungarian co-ordinator was appointed in September 2010.

The Brazil and Korea Sending Sections continued to be a focus for development.

The Resource Development Team made proposals for presentation to the Trustees and the General Assembly in 2010 concerning changes to the co-ordination of the RDT. These are now being further developed for implementation in 2011.

The Member Care Policy was rolled out during 2010 and is now an integral part of the Field Ministry activities.

The Trustees approved the recommendation to continue with an Independent Examination of the accounts for 2010.

# European Christian Mission (International)

## Report of the Trustees For the year ended 31 December 2010

### Personnel

Missionaries serving with ECM International in Europe at 31 December 2010 were:-

National Sections/Partners	ECMI Missionaries	Home members/ Missionaries	Partner in Ministry	Accepted Candidates	Total
ECM Australia/New Zealand	12 (10)	8 (8)	0 (2)	3 (2)	23 (22)
ECM Britain	31 (33)	8 (8)	8 (8)	7 (3)	54 (52)
MCE France	3 (2)	- (-)	- (-)	- (1)	3 (3)
ECM Germany	- (-)	1 (1)	- (-)	- (-)	1 (1)
ECM Ireland	15 (10)	7 (7)	3 (3)	- (-)	25 (20)
ECM Netherlands	11 (15)	6 (6)	10 (8)	7 (5)	34 (34)
ECM USA	9 (11)	11 (15)	- (-)	5 (2)	25 (28)
MCE Spain & Portugal	6 (6)	- (-)	- (-)	- (-)	6 (6)
DMG	15 (18)	- (-)	- (-)	- (-)	15 (18)
Liebenzell Mission	- (-)	- (-)	- (-)	- (-)	- (-)
East Europe	- (-)	- (-)	2 (6)	- (-)	2 (6)
S.America/Brazil	8 (8)	5 (5)	2 (-)	1 (-)	16 (13)
Other Partners	- (-)	- (-)	- (2)	- (-)	- (2)
ECM International	- (5)	6 (-)	- (-)	- (-)	6 (5)
TOTAL	<u>110 (118)</u>	<u>52 (50)</u>	<u>25 (29)</u>	<u>23 (13)</u>	<u>210 (210)</u>

The figures in brackets ( ) indicate the equivalent figure for 31<sup>st</sup> December 2009. Home members/missionaries include all those involved in a home ministry or office role within a national section of ECM.

Over **250 other volunteers**, not included in the above numbers have been involved on short-term teams, summer outreaches or practical projects.

The number of missionaries has remained stable and it has been encouraging to see a continuing number of candidates. Recruitment and raising support by missionaries continue to be major challenges. ECM International depends on the National Sections and Partners to recruit, send and support missionary personnel for all our activities. The economic climate is having an effect but Sending Sections have worked hard to minimise the effect upon our ministries.

During the year a successor to the International Systems Manager, who retires in February 2011, was appointed. Phil Jolley has been a member of ECM for 15 years, serving in Spain, and he was seen as the ideal candidate to take on the role, which has been retitled Director of Administration and Finance. Phil Jolley will also take over the role of Company Secretary from 1<sup>st</sup> March 2011.

### Ministries

The highlight for ECM International in 2010 was the successful operation of the biennial conference. This was not only a time for administrative matters but an opportunity to listen to good Bible teaching, enjoy stimulating discussion through the small groups and relax on the beach. The conference also gave impetus to The Way Ahead, ECM's five year strategic plan. The International Director took the work accomplished at the conference in order to produce the document which was approved by the Trustees in November 2010. The return journeys from Spain were hindered by the presence of a volcanic ash cloud over Northern Europe which demanded some innovative and new ways for the conference attendees returning to their homelands.

# European Christian Mission (International)

## Report of the Trustees

### For the year ended 31 December 2010

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ECM had nine leaders associated with the mission who attended the Lausanne Conference in Capetown, South Africa in October 2010.

#### Field Ministries

It has been encouraging to see an increase in the number of workers, enabling ECM to maintain its level of ministry across Europe. The Sending Sections have been working hard to engage new recruits and we are seeing a steady though still small stream of new candidates. It has been particularly encouraging to see recruits from the USA Section which is now reaching a more stable situation.

The increasing emphasis on social ministries, which are supporting and aiding church planting projects, is bearing benefits in several places and we continue to monitor its effectiveness. Efforts continue along with other agencies to develop a camp site in Serbia in order to provide conference and training facilities in the eastern part of the country. This could also be a platform for the development of a drug rehabilitation ministry. Work continues among refugees and asylum seekers in Germany and many workers report on the involvement of migrants in the area in which they work. An 'international church' for transients is developing in Freiburg. One of our leaders is having a significant impact in the lives of illegal immigrants in prison in Spain. The Good Samaritan drug rehabilitation centre in Spain operated fully during 2010 and has overcome some of the previous problems. Community work is particularly strong in the less developed countries of Albania, Kosova, Romania, Bosnia, Serbia and Croatia.

In Portugal, ECM is now half way through a 7 year plan to plant a church in the upper middle class neighbourhood of Park of the Nations in Lisbon, with the aim of this becoming a model for reaching the higher levels of society in Portugal with the gospel. In order to meet the challenge of more space for the church in an area where prices are prohibitive we are seeking to start a viable business that could integrate our work with the society whilst providing premises for a larger church. At the same time we are setting our sights on the need for long term Portuguese leadership.

For many years in Hungary there has been significant involvement in summer English camps. There has been an ongoing dialogue with church leaders in Hungary seeking a greater involvement from ECM. In 2010 a church planting coordinator for western Hungary was appointed, partly funded by ECM, with responsibility for being the contact person for 30 churches involved in church planting as well as 10 weeks of summer mission each year.

The work in Shurdington near Gloucester came to an end with the church planting couple looking for new initiatives in the West Midlands. Despite this Gloucester has become an ECM centre as the new Director for Administration and Finance is now based there. The cooperation with the Nova Research organization based at Redcliffe College in Gloucester continues with the production of the Vista magazine quarterly. Others are focused on migrants in the area. The outreach towards Polish people living in the United Kingdom continues.

ECM continues to work with partner agencies across the continent. In North Germany the partnership with Frei Evangelische Gemeinde continues to gather pace in Rostock with new missionaries joining during the year. The work in South Limburg in The Netherlands is going well with good examples of mentoring in action. Links with the Deutsche Mission Gemeinschaft have been renewed by the International Director. They continue to be a significant source of missionary personnel. There are good partnerships between the Brazilian and Portuguese churches and ECM in the Park of the Nations (Lisbon).

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# **European Christian Mission (International)**

## **Report of the Trustees**

**For the year ended 31 December 2010**

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In Sweden the partnership with the Covenant church continues in Kiruna among the Saami people. New partnership agreements with the Covenant Church in Sweden and the Baptists in Hungary were signed at the biennial conference.

The review of our work in Spain has led to personnel being allocated to new areas of the country.

Many of the projects across Europe are supported by one-year short-term workers (Spain, Croatia, Kosovo). This has been supplemented with short-term teams coming from the sending sections during strategic times of the year.

We are aware of the greater difficulties of organising visas for those who come from outside the EU.

### **Sending Sections**

The work across Europe is supported by the work of the sending sections who act to recruit people, encourage prayer and develop financial resources. The USA has strengthened its activities during 2010 and it has been encouraging to see new candidates and recruits. Efforts continue towards sending sections in Brazil, France and for the Spanish speaking countries of the world. Of concern to us is the Dutch Sending Section which for a number of years has struggled with financial viability and have had to put in place a tough plan to recover the situation. This will result in a number of cut backs and cost saving measures.

The Sending Sections have made proposals for growing the number of missionaries. This might involve the Sending Sections having more direct influence over what happens in some of the fields, which would involve a significant shift in ethos and working philosophy. Discussions have been opened up with International management to ensure that the issues are fully explored before any final decisions are taken. The result of this is the approval of the setting up of an International Leadership Team in 2011 to bring together the work across Europe and embrace the concerns of the sending sections.

The new Director of ECM Britain is Mr Kent Anderson.

The sending sections maintain links with partner organisations to promote the aims of ECM. In Australia, Reach Out (NSW) continues to be the primary opportunity for exposure, in addition to that at Sydney Missionary and Bible College. The work has also developed in Victoria.

In New Zealand, new leadership is being sought. Staffing for Australia and New Zealand is minimal and effective, though growth is limited. One NZ couple who previously served in church planting in Albania are returning there in 2011.

Currency fluctuations and the international financial crisis of the last year have given significant challenges to some of our Sending Sections, particularly those outside the euro-zone, and efforts have been necessary to seek additional funds from supporters for our missionaries.

The potential relationships with Korean churches were explored initially in 2008 with a view to deciding whether these should be on the basis of partnership agreements or the establishment of a Korean Sending Section of the Mission. The relationship continues to develop and there is a growing desire to see Korean missionaries within our teams. The leadership from Korea attended our biennial conference.

The sending sections are reviewing the acceptance of projects and the raising of money for approved projects.

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# **European Christian Mission (International)**

## **Report of the Trustees**

**For the year ended 31 December 2010**

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### **Promotion and recruitment**

ECM is largely dependent upon the Sending Sections and Partner Organisations for the promotion of mission activities, the raising of the necessary funds and the recruitment of personnel. In 2010, the improved delivery in terms of the raising of funds for field ministry projects continued. The strength of the Resource Development Team, which is comprised of all the heads of all the sending sections, is steadily improving the resourcing of the Mission. The International Director is leading this group for two years. The Sending Sections have produced a promotional video.

### **Training**

The Training Co-ordinator continued to develop our training programmes, as well as maintaining the impetus of Fast Track training and Foundations courses. He has been developing a Lead On training programme working in conjunction with Oasis. The first of three sessions was rolled out to ECM leaders in October 2010. The second stage will take place in 2011.

The new Personal Development Conversations (PDC) approach has been rolled out across all of ECM to replace the appraisal system. This scheme assists with both Training and Member Care by identifying the needs and wants of individuals.

### **Member Care**

During 2010 Member Care was more on the agenda, as the Member Care Coordinator was a regular member of the ICT (International Coordination Team) meetings. At the Biennial Conference a full session was given to the entire mission on team building. Counsellors were made available during the Biennial and at Prayer Days in Spain. Counsellors were offered to all the fields for their Prayer Days. Individual conversations with the Member Care Coordinator and Facilitators for the fields took place regularly, and emails were exchanged. Regular contact was kept with the Field Leaders, and those who were deemed to be in a difficult situation were contacted regularly. Crucial confrontation and conversation was held in Kosovo with the team when there was a crisis situation involving lack of trust. Planning for Member Care Facilitator training began in the fall, and is to take place 8–11 March 2011. Overall, our members were looked after to the best of our ability as a team of Facilitators, Coordinator, Field Leaders, and Sending Section Leaders.

### **Short-term teams**

Many ECM ministries made full use of short term teams. The short term team coordinator suffered a major health issue that meant that for much of 2010 she had to return to the USA for treatment. This was a considerable blow at a time when she was just beginning to establish a profile across ECM. Despite this setback short term teams have been working all over Europe'

### **Financial situation**

The financial results of the charitable company for the year ended 31 December 2010 are set out in the financial statements on the following pages. In the year the charity recorded a deficit of £36,438 (Unrestricted deficit of £25,319 and restricted deficit of £ 11,119), compared to an anticipated loss of £33,624 from Unrestricted funds and a potential net outflow of £17,809 from Restricted funds. We have continued to pursue a policy of reducing the level of Restricted funds held and of using the funds for Projects as they are identified. Whilst the Unrestricted deficit gives cause for concern we continue to be grateful to God and to those who gave so generously. The Unrestricted deficit was not as bad as forecast due mainly to good cost control for the Biennial conference but also because refunds arising from

# **European Christian Mission (International)**

## **Report of the Trustees**

### **For the year ended 31 December 2010**

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the volcanic ash flight cancellations brought in unexpected income from the attendees. The economic climate has obviously had an impact with investment income being reduced and poor exchange rates. For 5 months of the year we employed (and hence paid a salary to) Phil Jolley as Director of Administration and Finance whilst still retaining, for a hand over period, both Arthur Prescott and Anita Bennett whom Phil will replace from March 2011. Our Sending Sections, who provide the greater part of our income, are finding fund raising difficult and this has meant lower than anticipated income. This will continue to be a theme into 2011 with the finances of ECM Netherlands being of particular concern and we are working with them to resolve their issues. The financial concerns of ECM International are being rigorously addressed and plans are well advanced for a change to the way that Sending Sections provide income to ECM International. We are also continuing to review all our income and expenditure in order to make savings wherever possible.

#### **Reserves policy**

A policy was adopted in April 2004 to establish a minimum reserve of three months' operating expenses (last estimated at £40,000). The reserve, which was established in 2006, has been maintained throughout the year being reviewed. The figure of £40,000 was reviewed by Trustees at their meeting in November 2010 and it was agreed to raise it to £50,000. At the year end £72,651 was held in free reserves. This is higher than the policy states, principally because of unexpected gift income in the year, but it is likely that some of those free reserves will be required during 2011.

#### **Risk assessment**

The Risk Management system continued to be actively reviewed in 2010 with the strategies for more serious risks being maintained, and new strategies for medium risks and particular emphasis on developing an HIV Policy (now extended to a contagious diseases Policy) being developed. On an annual basis the Field Management Team reviews all Operational and Field related risks.

#### **Technical aspects**

ECM International shares with ECM Netherlands the services of Dirk Bart Houweling who is the Facilitation Manager for ECMI. His role for International is in supporting most technical issues including technical support at the 2010 Biennial Conference, e-mail systems and the ECM web sites.

The e-mail system is being successfully supported (24 hour) via the GoogleApps environment. Effort continued from the previous year to ensure that everyone in ECM made full use of the e-mail system so that the system can be better utilised as the primary electronic communication system across ECM.

Significant progress has been made during 2010 to improve the ECM International web sites service with the intention of a new implementation in early 2011. This should enable a more integrated and strategic approach to our web sites by allowing Sending Sections to share many of the corporate facilities rather than maintain the current largely independent web sites.

Our Leadership Teams are making increasing use of video conferencing facilities enabling us to keep costs low and limit the amount of travelling to meetings.

#### **Looking ahead**

The International Director has continued to vigorously pursue the development of the next strategic document for ECM and following the presentation of a draft document at the biennial conference in April 2010 it has been further developed with the aim of a formal release early in 2011. Throughout the process he has consulted widely across the mission and with all types of workers.

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# European Christian Mission (International)

## Report of the Trustees

### For the year ended 31 December 2010

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As part of The Way Ahead consultation there has been agreement to the widening of the scope of our activities, from targeting the most spiritually needy in Europe to a meeting of the spiritual needs of all peoples and all areas of Europe. This is to be incorporated into the new vision of ECM International.

One theme in this widening of the scope is that of integral ministry, i.e. taking the person as a whole and seeking to meet both spiritual and social needs including such things as economic needs, marriage breakdown, alcohol abuse, asylum seekers and religious persecution. Our church plants need to be relevant to the society in the community and meeting social needs will be aimed at that relevancy. To accomplish this we would be looking to appoint someone to guide us in this process and we will also seek European funding. In pursuing this we will ensure that church planting stays as our *raison d'être*. We will ensure that it is the planted church that is the owner of any social project whilst ECM workers will be consultants and trainers.

The Trustees are also conscious of the need to ensure that the future ministry of ECM International is based on a sound financial footing. In this regard the Trustees are in discussions with the leaders of the Sending Sections to find the most equitable way forward, whilst ensuring that the International function is adequately funded for the many ways that it supports the work of ECM missionaries. We hope to come to some conclusions on this issue during the first quarter of 2011.

#### **Responsibilities of trustees**

The trustees (who are also Directors of European Christian Mission (International) for the purposes 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 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;
- make judgments 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 business.

# European Christian Mission (International)

## Report of the Trustees

For the year ended 31 December 2010

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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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Registered office:

Signed by order of the Trustees

Carnarvon  
Rising Lane  
Lapworth  
Solihull  
B94 6JE

Timothy Lewis  
Treasurer

Approved by the Trustees on.....

# European Christian Mission (International)

## Report of the Independent Examiner For the year ended 31 December 2010

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I report on the accounts of the Trust for the year ended 31 December 2010, which are set out on pages 13 to 21.

### *Respective responsibilities of trustees and examiner*

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under Part 16 of the Companies Act 2006 and that an independent examination is needed.

It is my responsibility to:

- examine the accounts (under section 43(3)(a) of the Charities Act 1993);
- to follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 43(7)(b) of the 1993 Act); and
- to state whether particular matters have come to my attention.

### *Basis of independent examiner's report*

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and the seeking of explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, I do not express an audit opinion on the view given by the accounts.

### *Independent examiner's statement*

In connection with my examination, no matter has come to my attention:

- which gives me reasonable cause to believe that, in any material respect, the requirements
  - (a) to keep accounting records in accordance with s386 of the Companies Act 2006; and
  - (b) to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Companies Act 2006 and the Statement of Recommended Practice: Accounting and Reporting by Charities (revised 2005) have not been met; or
- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Ed Marsh ACA DChA  
Burton Sweet Chartered Accountants  
Pembroke House  
15 Pembroke Road  
Clifton  
BS8 3BA

Date.....

# EUROPEAN CHRISTIAN MISSION (INTERNATIONAL)

## STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 DECEMBER 2010

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2010 £	Total Funds 2009 £
<b>Incoming Resources</b>					
Resources from generated funds					
Donations and gifts		227,086	62,787	289,873	247,106
Investment income		1,003	-	1,003	2,315
<b>Total Incoming resources</b>		<b>228,089</b>	<b>62,787</b>	<b>290,876</b>	<b>249,421</b>
<b>Resources expended</b>					
<i>Charitable activities</i>					
Mission support		-	30,955	30,955	23,314
Extension ministry	2	233,903	59,931	293,834	176,252
		233,903	90,886	324,789	199,566
<b>Governance costs</b>	3	2,525	-	2,525	2,119
<b>Total resources expended</b>		<b>236,428</b>	<b>90,886</b>	<b>327,314</b>	<b>201,685</b>
<b>Net (outgoing)/incoming resources</b>					
- net income/(expenditure) for the year	4	(8,339)	(28,099)	(36,438)	47,736
Gross transfers between funds	10	(16,980)	16,980	-	-
<b>Net Movement in funds</b>		<b>(25,319)</b>	<b>(11,119)</b>	<b>(36,438)</b>	<b>47,736</b>
<b>Total funds at 1 January 2010</b>		<b>99,065</b>	<b>17,809</b>	<b>116,874</b>	<b>69,138</b>
<b>Total funds at 31 December 2010</b>	10,11	<b>73,746</b>	<b>6,690</b>	<b>80,436</b>	<b>116,874</b>

The charity has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the charity are classed as continuing.

The notes on pages 15 to 21 form part of these financial statements

# EUROPEAN CHRISTIAN MISSION (INTERNATIONAL)

## BALANCE SHEET

AT 31 DECEMBER 2010

	Notes	2010 £	2009 £
<b>Fixed assets</b>			
Tangible fixed assets	7	1,095	1,371
<b>Current assets</b>			
Debtors	8	3,390	18,497
Bank deposits and current account balances		<u>85,652</u>	<u>103,818</u>
		89,042	122,315
<b>Creditors: Amounts falling due within one year</b>	<b>9</b>	<u>(9,701)</u>	<u>(6,812)</u>
Net current assets		79,341	115,503
<b>Net assets</b>	<b>10,11</b>	<u>80,436</u>	<u>116,874</u>
<b>Funds</b>			
Unrestricted	10,11	73,746	99,065
Restricted	10,11	6,690	17,809
		<u>80,436</u>	<u>116,874</u>

For the year ending 31 December 2010 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

### *Directors' responsibilities:*

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

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

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

These financial statements were approved by the trustees on their behalf by:

2011 and are signed on

.....  
**Tim Lewis**  
Trustee

.....  
**Johan Lukasse**  
Trustee

The notes on pages 15 to 21 form part of these financial statements



# EUROPEAN CHRISTIAN MISSION (INTERNATIONAL)

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2010

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### 1 Accounting policies

#### a) Accounting convention

(i) The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards, the Companies Act 2006 and the Statement of Recommended Practice, Accounting and Reporting by charities, issued in March 2005.

#### b) Foreign currency translation

(i) Income received from overseas is translated into sterling at the relevant exchange rate on the date the income was received.

(ii) Costs incurred overseas are translated at the rate in operation at the end of the charitable company's financial period.

(iii) Assets and liabilities denominated in foreign currencies are translated at the rate in operation at the end of the charitable company's financial period.

#### c) Fund accounting

(i) Unrestricted funds can be used in accordance with the charitable objects at the discretion of the Trustees.

(ii) Designated funds are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

(iii) Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs. Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

#### d) Voluntary income

(i) Income from donations is included in incoming resources when these are receivable, except as follows:

I. When donors specify that donations given to the charity must be used in future accounting periods, the income is deferred until those periods;

II. When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred until the pre-conditions have been met.

(ii) Gift aid tax is recognised as income at the point the donation is received.

# EUROPEAN CHRISTIAN MISSION (INTERNATIONAL)

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2010

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### 1 Accounting policies

#### e) Investment income

Interest is accrued on a daily basis and is credited on this basis in the Statement of Financial Activities.

#### f) Fixed assets and depreciation

(i) Fixed assets are included in the financial statements at their historical cost and are written off on a straight line basis over their estimated useful lives through the Statement of Financial Activities.

(ii) All assets costing more than £500 are capitalised at cost.

(iii) Equipment purchased for direct charitable purposes, such as radio equipment, is not capitalised but written off on acquisition in the Statement of Financial Activities.

#### g) Charitable activities

This includes all expenditure directly related to the objects of the charitable company, that of the advancement of the Christian Faith in Europe and elsewhere. Also included are support costs which represent the staffing and associated cost of finance, personal and general administration in supporting the operations for which the charitable company is responsible. These have been allocated in full to extension ministry costs, and are explained in more detail in the notes to the financial statements.

#### h) Governance costs

These costs include the costs of governance arrangements which relate to the general running of the charitable company as opposed to the direct management functions inherent in generating funds. This includes such items as external audit, legal advice for trustees and costs associated with constitutional and statutory matters.

#### i) Pension costs

Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the year to which they relate.

# EUROPEAN CHRISTIAN MISSION (INTERNATIONAL)

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2010

### 2 Charitable expenditure

	<b>Activities Undertaken Directly £</b>	<b>Support Costs £</b>	<b>Total 2010 £</b>	<b>Total 2009 £</b>
Mission support	30,955	-	30,955	23,314
Extension ministry	154,033	139,801	293,834	176,252
	<u>184,988</u>	<u>139,801</u>	<u>324,789</u>	<u>199,566</u>

#### Support costs comprise of the following:

Salaries			129,949	44,505
Office costs			8,976	5,787
Depreciation			876	1,006
			<u>139,801</u>	<u>51,298</u>

### 3 Governance costs

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total Funds 2010 £</b>	<b>Total Funds 2009 £</b>
Accountancy fees	2,019	-	2,019	1,582
Independent examiner's fees	620	-	620	600
Legal and professional fees	15	-	15	65
	<u>2,654</u>	<u>-</u>	<u>2,654</u>	<u>2,247</u>
Attributed to Mission support	(129)	-	(129)	(128)
	<u>2,525</u>	<u>-</u>	<u>2,525</u>	<u>2,119</u>

# EUROPEAN CHRISTIAN MISSION (INTERNATIONAL)

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2010

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### 4 Net incoming resources for the year

<b>This is stated after charging:</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Depreciation	876	1,006
Independent examiner's fees	620	600
Trustees' expenses	<u>8,808</u>	<u>8,411</u>

No remuneration directly or indirectly out of the funds of the charitable company was paid or payable for the year to any Trustee or to any person or persons known to be connected with any of them.

A total of £8,808 (2009 - £8,411) was reimbursed to 4 (2009 - 4) trustees in the year, relating to travel costs incurred.

### 5 Staff costs and numbers

The aggregate payroll costs were:	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Wages and salaries	113,877	97,577
Social security costs	11,020	8,506
Pension costs	5,052	4,982
	<u>129,949</u>	<u>111,065</u>

No employee received emoluments of more than £60,000.

The average weekly number of employees during the year, calculated on the basis of full time equivalents, was as follows:

	<b>2010</b>	<b>2009</b>
	<b>Number</b>	<b>Number</b>
Administration	<u>4</u>	<u>3</u>

The staff costs and numbers do not include the missionaries working abroad, who are not employees of the charity.

### 6 Taxation

The charity is exempt from Corporation Tax on its charitable activities.

# EUROPEAN CHRISTIAN MISSION (INTERNATIONAL)

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2010

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### 7 Tangible fixed assets

	<b>Furniture and Equipment £</b>
<b>Cost</b>	
At 1 January 2010	8,431
Additions	600
At 31 December 2010	<u>9,031</u>
<b>Depreciation</b>	
At 1 January 2010	7,060
Charge for the year	876
At 31 December 2010	<u>7,936</u>
<b>Net Book Value</b>	
At 31 December 2010	<u>1,095</u>
At 31 December 2009	<u>1,371</u>

### 8 Debtors

	<b>2010 £</b>	2009 £
Other debtors	2,624	2,810
Prepayments and accrued income	766	15,687
	<u>3,390</u>	<u>18,497</u>

### 9 Creditors

	<b>2010 £</b>	2009 £
Other creditors	3,561	1,712
Taxation and social security	3,650	2,658
Accruals	2,490	2,442
	<u>9,701</u>	<u>6,812</u>

# EUROPEAN CHRISTIAN MISSION (INTERNATIONAL)

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2010

### 10 Movement in funds

	At 01-Jan 2010 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31-Dec 2010 £
<b>Restricted funds</b>					
Mission support	3,565	60,254	(79,630)	16,980	1,169
Albania	65	-	(65)	-	-
Eastern Europe	645	-	-	-	645
Germany	12	-	(12)	-	-
Hungary	10,719	2,533	(9,745)	-	3,507
Italy	256	-	-	-	256
Kosova	49	-	(49)	-	-
Literature	151	-	(151)	-	-
Poland	409	-	-	-	409
Portugal	503	-	-	-	503
Spain	1,234	-	(1,234)	-	-
Ukraine	201	-	-	-	201
	<u>17,809</u>	<u>62,787</u>	<u>(90,886)</u>	<u>16,980</u>	<u>6,690</u>
<b>Unrestricted funds</b>					
General funds	99,065	228,089	(236,428)	(16,980)	73,746
	<u>99,065</u>	<u>228,089</u>	<u>(236,428)</u>	<u>(16,980)</u>	<u>73,746</u>
	<u>116,874</u>	<u>290,876</u>	<u>(327,314)</u>	<u>-</u>	<u>80,436</u>

Fund balances relate to funds received in respect of projects in the countries identified. Mission support funds are received in relation to specific projects to cover specific expenditure.

Transfer in year represents contributions made from unrestricted funds on a monthly basis to mission support.

# EUROPEAN CHRISTIAN MISSION (INTERNATIONAL)

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2010

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### 11 Analysis of net assets between funds

	Tangible Fixed assets	Other Net assets	Total
	£	£	£
<b>Restricted funds</b>			
Mission support	-	1,169	1,169
Eastern Europe	-	645	645
Hungary	-	3,507	3,507
Italy	-	256	256
Poland	-	409	409
Portugal	-	503	503
Ukraine	-	201	201
	-	6,690	6,690
<b>Unrestricted funds</b>			
General funds	1,095	72,651	73,746
	1,095	72,651	73,746
	1,095	79,341	80,436

General funds of £1,095 are represented by fixed assets, therefore £72,651 is available as free reserves.

### 12 Pension Contributions

The charitable company participates in a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contributions payable by the charitable company to the fund and amounted to £5,052 (2009 - £4,982).

### 13 Company Limited by Guarantee

The company is limited by guarantee and as such has no issued share capital. In the event of the company being wound up the liability of the members is limited to £1 each.