

Mission Direct Limited
(Known as Mission Direct)

Report and financial statements
For the year ended 31 December 2015

Mission Direct Limited
Report and financial statements
For the year ended 31 December 2015

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Mission Direct Limited

Legal and Administrative Information

Constitution

Mission Direct is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association. Charity number: 1107824. Company number: 5289161. The maximum contribution required by members of the company is an amount not exceeding £1 in the event of the company being wound up. Under the Memorandum and Articles of Association, any surplus of assets over liabilities on winding-up cannot, under any circumstances, be distributed to the Trustees, but shall be given or transferred to some other charity or charities with similar objects to those of Mission Direct.

Patrons

The Lord Mackenzie of Luton
Rt. Hon Theresa May MP
Rt. Rev Dr Alan Smith, Bishop of St Albans

Directors and Trustees

The Directors of the charitable company (hereafter referred to as 'the charity') are its Trustees for the purposes of charity law and throughout this report are collectively referred to as the Trustees. The Trustees serving during the year and since the year end were as follows:

Peter Wright (Chair)
Felicity Cooper
Neil Denniss
Paul Holbrook
Tim Martindale
Terry Murphy
Keith Stevens
Mark Vickers

New Trustees are appointed by a majority ballot of the existing Trustees. One third of the Trustees retire from office by rotation at each AGM and may seek re-appointment. The induction and training programme for new Trustees comprises a detailed discussion and orientation by the Chief Executive and 2 other board members. Each new Trustee confirms their agreement with the founding charity documents and agrees what contribution they expect to make. Trustees usually join a team or visit one or more of the charity's overseas programmes.

Chief Executive and Company Secretary:

Alan McCormick

Registered office:

Mission Direct, 27 Bury Mead Road, Hitchin, Herts, SG5 1RT

Principal Bankers:

Barclays Bank, George Street, Luton, LU1 2AE

Auditors:

Mazars LLP, The Pinnacle, 160 Midsummer Boulevard, Milton Keynes, MK9 1FF.

Mission Direct Limited

Report of the Trustees (continued)

For the year ended 31 December 2015

The Trustees are pleased to present their report together with the financial statements of the charity for the year ended 31 December 2015. The financial statements comply with the Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2015). They also comply with the Financial Reporting Standard 102 (effective 2015) and the charity's Memorandum and Articles of Association. The accounts have been prepared in accordance with the accounting policies on pages 15 and 16.

Objectives and Activities

Vision

To demonstrate Christian faith through service to the materially poor and those in need around the world.

Mission

To take volunteers across the world, working in partnership with local communities, bringing practical help, hope and change to the poor.

Values

Mission Direct values are based on Psalm 15 and they shape our culture, ethos and impact every activity.

Walk straight

Act right

Tell the truth

Ethos

Mission Direct's ethos of operation is the Starfish Principle. Recognising that we cannot solve everything we work to make a difference 'one by one'.

The Starfish Principle is captured by the story of the little boy who saw thousands of dying starfish on a beach. He started to pick them up and throw them back in the sea. "What are you doing?" his mother asked - "How can you hope to make any difference here?" Picking up the starfish and throwing them back into the sea the boy looked in his mother's eyes and said "Well, I made a difference to that one and that one."

Mission Direct Limited

Report of the Trustees (continued)

For the year ended 31 December 2015

Charity's Objects

Mission Direct's objects are:

- a) The relief of poverty, sickness and distress throughout the world;
- b) The advancement of the Christian religion throughout the world in accordance with its core values and beliefs; and
- c) Other such charitable purposes worldwide as the Trustees may determine.

The Trustees understand (b) as ensuring Mission Direct is a catalyst enabling volunteers and mobilising resources to help the world's poor, in keeping with our Christian ethos and articles of faith.

Public Benefit

The Trustees are aware of the Charity Commission's guidance on public benefit and, in particular, the specific guidance offered to charities with these objects. As explained in the Achievements and Performance section set out below, the charity has addressed a range of such public benefit and the Trustees confirm that the charity's activities fall within these objects.

Principal Areas of Work

The volunteer model has enabled a few thousand volunteers to work in partnership with the world's materially poor. In going, each person makes a significant personal impact, directly engaging supporters and leaving a legacy of enduring relationships and projects. During 2015, Mission Direct brought help and hope in 12 locations across 11 countries: Brazil, Cambodia, The Dominican Republic, India, Kenya, Malawi, Moldova, Sierra Leone, Uganda, Zambia, and Zimbabwe. Regrettably the work in China and Guyana did not take place due to lack of government approvals and lack of an appropriate project respectively.

Principal Funding Sources

Mission Direct's achievements are built on a foundation of mobilising people to raise funds for the building projects on which they have volunteered to work on. Their fund raising efforts continue to be the prime source by which the charity is funded. They are supported by their friends, churches, companies, trusts, rotaries and other networks. 100% of all funds raised for a building project goes directly to the project the person is supporting.

In 2015, we continued our fund raising, with emphasis on individual donors, major donors, and trusts. We proactively care for our donors, provide them with information about the positive impact the work is having and express our gratitude. Direct Mail remains an effective means to raise awareness of the work and develop a long term income stream.

During 2015 Mission Direct has worked with Petra Fundraising and on 17 December 2015 Mission Direct signed a letter of agreement to partner with Petra Fundraising on fundraising. The partnership is intended to yield a growth in the funds raised whilst ensuring compliance with the Fundraising Standards Board guidelines.

Mission Direct Limited

Report of the Trustees (continued)

For the year ended 31 December 2015

Achievements and Performance

In 2015 – 371 volunteers from all walks of life, supported by 45 self-funding overseas staff, served on 42 mission trips in 11 of the world's poorest countries. The volunteers achieved incredible results, including:

- 7 classrooms built for 320 children
- 2 teachers' houses built, 4 homes refurbished
- 18 houses built for families escaping the slums
- 1 residential centre built for 30 girls escaping life on the street
- 1 maternity unit built to support 500 mothers and babies
- 1 dining room built to support 17 vulnerable, elderly ladies
- 1 community centre and toilets built to serve 680 people
- 1 workshop funded to support 600 people with disabilities
- 1 farm & accommodation developed to support 52 girls escaping forced marriage & FGM
- Part funded 1 Ebola community medical centre
- 60 teachers and 140 medics trained
- 60 computers installed in 5 schools
- 1,000s of acts of kindness
- 1,000s of new friendships made.

The impact the teams continue to make is truly remarkable as each person gave of themselves and performed countless acts of kindness. Our partners often comment how much they were helped and the significant number of lives that were impacted.

Volunteers, Trustees and staff represented our work at exhibitions and conferences and played a key part in letting people know of the opportunities to help that Mission Direct offers and the impact achieved.

Taking a bottom up approach, working with the poor and seeing the money spent directly by the overseas staff means money raised is leveraged and used in a focused, well controlled and cost-effective manner.

Below are a few highlights from each country.

Brazil

We took 11 volunteers on 2 teams and started building work on 8 homes with our principal partner, the local 'Open Hands' charity. The houses will be used to re-home families escaping from life in favelas.

Cambodia

We took 27 volunteers on 3 teams and continued to work with our inspirational partner, Pastor Sara. We built homes for four families who had previously lived on a rubbish dump as well as some educational facilities within Tarsha's Legacy Centre. A new project has been the construction of

Mission Direct Limited

Report of the Trustees (continued)

For the year ended 31 December 2015

bamboo homes next to the rubbish tip enabling a family to have the first step out of poverty. We have been awarded a grant to build 20 more bamboo homes.

The Dominican Republic

We took 57 volunteers on 5 teams and continued to work with our partner, the Samaritan Foundation. Our main project remains the house building programme and this year we built 12 houses.

India

We took 16 volunteers on 3 teams and worked with our partner, the Emmanuel Hospital Association at a hospital in Lalitpur, south of Delhi. We built a maternity unit that will provide facilities to support the safe birth of approximately 500 babies per year. This facility will serve the poor and vulnerable who do not have ready access to good health care.

Kenya

We took 38 volunteers on 5 teams. In 2015 we switched partners to work with Mission with A Vision. This year teams worked at the refuge's farm enabling them to become self-sufficient. This year an apiary, pigsty, chicken sheds, pond and a manager's house were all constructed by teams. We also repainted the whole of a residential special school, built toilets at a school for the disabled and put into place plans for building a new special school next year. In 2016 we will be working to build a disabled school with a new partner.

Malawi

We took 2 volunteers on 1 team and continued to work with our South African missionary partner. We have continued to develop the school ready for its opening in January 2016.

Moldova

We took 39 volunteers on 5 teams and worked with three partners. 1) Beginning of Life. We repaired, renovated and improved living accommodation and communal facilities for girls who are at risk of, or have been trafficked. 2) Iris Ministries Missionary: Building toilets at a local primary school to help her develop her mission work and 3) Casa Helen – built a dining room at an old people's home so the residents can eat together rather than in their own rooms.

Sierra Leone

We were unable to work in Sierra Leone because of the Ebola outbreak. During the crisis we supported our partners with prayers and money. A particularly success was the construction of an Ebola centre which was used to isolate and support people who were sick. Our seed money meant that major charities engaged with the development of this centre. In November a team returned for the first time and built a triage centre and started to build at a clinic for a beach community.

Mission Direct Limited

Report of the Trustees (continued)

For the year ended 31 December 2015

Uganda - Kumi

We took 35 volunteers on 3 teams, including a Medical training team, and we continued working with our partner, the PAG Church. We provided medical training and worked on four primary school sites. A new project was the construction of 2 classrooms at the Akibui School, at other schools we restored classrooms and built a teacher's house at Kajamaka. Each team also restored a straw house enabling a family to have a roof over them that doesn't leak.

Uganda - Rukungiri

We took 45 volunteers on 5 teams, including a Medical training team and a Teacher training team. We continued to work with our partners, the Diocese, the local hospital and Mission4Water. We provided medical and teacher training along with building a store, toilets and staff accommodation at Kitazigurukwa Primary School for disabled children. The new dormitory was started in November enabling another twenty disabled children to attend school.

Zambia

We took 73 volunteers on 9 teams, including a Medical training team, a Teacher training team and an IT specialist team and we continued work with our many partners. We provided medical and teacher training, the IT team installed computers. We completed our main project which was to build a Refuge Centre with Vision of Hope with accommodate for 30 girls escaping life on the street.

Zimbabwe

We took 24 volunteers on 2 teams and continued to work with our partner, the United Baptist Church of Zimbabwe. We built 2 classrooms that will enable a further 80 children to start school in January.

Teacher Training Trips

We had 3 Teacher training teams in 2015 with 12 teachers concentrating on continuing development for teachers in Zambia and Uganda. In 2015 Kenya was a new location for teachers. We were unable to take our teams to Sierra Leone. In 2016 we have added Cambodia as a venue and have a full team for this country.

Medical Missions

We ran 5 Medical training teams with 21 volunteers in Sierra Leone, Uganda and Zambia. The approach was to understand the local needs and seek appropriate specialists to address those issues.

IT Specialist Missions

We ran 1 IT specialist team with 5 volunteers in Zambia where we installed 60 computers.

Mission Direct Limited

Report of the Trustees (continued)

For the year ended 31 December 2015

Financial Review

The Trustees consider the financial performance to be good. They are grateful to all the staff who helped make this possible. The Trustees have key financial policies in place and undertake appropriate risk assessments. Monthly accounts and KPIs ensure appropriate timely management information is available.

Incoming resources were £43,000 (3.68%) less than in 2014 on unrestricted funds although legacies increased over those of 2014. Restricted funds for the project work were similar to those of 2014. However, expenditure on unrestricted funds was well controlled resulting in an £87,000 (7.5%) reduction on 2014. Expenditure was down on restricted project funds but this was as a result of favourable exchange rates that allowed Mission Direct to do more with less cost allowing the unspent funds to be used in 2016.

Plans for Future Periods

The four strategic initiatives for 2016 are:

1. Establish and deliver a plan for sharing our faith in each overseas location.
2. Lean Mission Direct's processes
3. Build capacity and skill set
4. Recruit in excess of 450 volunteers.

The planned outcomes for 2016 are to build:

Build 9 classrooms to teach 460 children. Build and refurbish 5 houses for 5 families. Build 3 homes for disabled children housing 170 children. Build one house for 12 street boys. Build and refurbish 3 clinics serving 9000 people annually. Provision of training for 100 teachers and 120 medics. 100 computers installed.

Structure Governance and Management

Mission Direct Trustees bring vital core strategic, governance and tactical competencies to the organisation. The Trustees are delighted that the Rt. Hon Theresa May MP, The Lord McKenzie of Luton and the Rt. Reverend Dr Alan Smith, Bishop of St Albans continue as Patrons.

The governance and key policies are considered appropriate for Mission Direct's current size and purpose. The strategy and plans are clear. The organisation structure is focused on securing the volunteers to serve overseas and maximising the value they add during their time overseas.

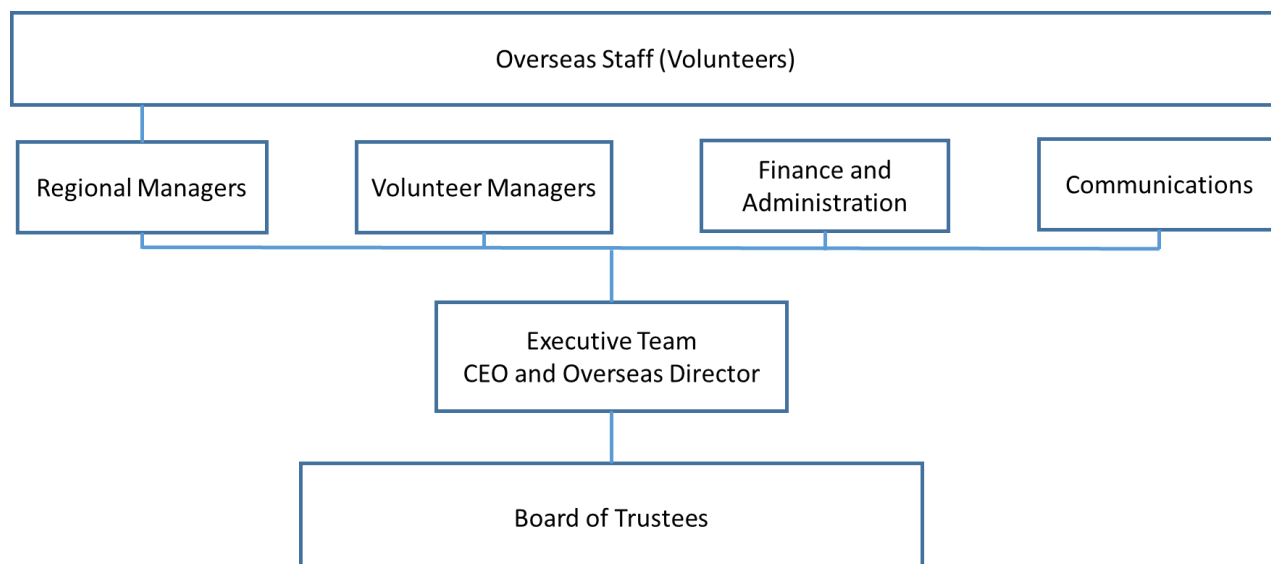
Management responsibilities are clearly defined and the Trustee group operates based on the Carver Model.

Mission Direct Limited

Report of the Trustees (continued)

For the year ended 31 December 2015

Mission Direct's organisation chart is:



Remuneration of staff is set with regards to market rates and the relevant experience of the staff member and reviewed on an annual basis to ensure that pay levels are fair.

Principal risks and uncertainties

The Trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to mitigate these risks. The two risks that would have the highest impact to the model of operation that the charity has are a) the cost of flights suddenly increasing beyond that economically acceptable to volunteers, and b) data loss from charity systems failing or being attacked.

Reserves Policy

It is the policy of the charity to maintain minimum unrestricted funds, which are the free reserves of the charity, at a level which equates to approximately three months' unrestricted expenditure. This level is £100,000 and provides sufficient funds to cover management, administrative and support costs and to cover such unexpected costs as arise from time to time. The Trustees are happy with the current level of reserves held at the year-end of £180,952 but will continue to monitor this in the future.

Investment Policy

Mission Direct will maintain its legal responsibility to optimise the return on investments, with regard to appropriate risk factors. This has been encompassed, together with its Reserves Policy, within the charity's Investment Policy which is reviewed on an annual basis. The Policy ensures that there are

Mission Direct Limited

Report of the Trustees (continued)

For the year ended 31 December 2015

sufficient funds within short term bank deposits to facilitate Mission Direct's day to day cash requirements and with additional funds placed to gain a return commensurate with the risk.

Statement of Trustees Responsibilities

The Trustees (who are also the Directors of Mission Direct Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in that Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

Statement as to Disclosure of Information to Auditors

So far as the Trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each Trustee has taken all the steps that they ought to have taken as a Trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

Auditors

The auditors, Mazars LLP, were appointed in the year and will be proposed for re-appointment at the forthcoming Annual General Meeting.

The Directors have prepared this report in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved by the Trustees and signed on their behalf by:

Peter Wright
Chair of Trustees

11 March 2016

Mission Direct Limited

Independent Auditor's Report to the Members of Mission Direct

We have audited the financial statements of Mission Direct Limited for the year ended 31 December 2015 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of Trustees and Auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 9, 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors. This report is made solely to the charity'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 charity'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 charity and the charity's members as a body for our audit work, for this report, or for the opinions we have formed.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate.

Opinion on the financial statements

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 2015 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.

Opinion on the other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Mission Direct Limited

Independent Auditor's Report to the Members of Mission Direct

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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 Trustees' 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 entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Report.

Stephen Brown (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
The Pinnacle
160 Midsummer Boulevard
Milton Keynes
MK9 1FF
Date: 18 March 2016

Mission Direct Limited

Statement of Financial Activities

For the year ended 31 December 2015

		Restated Unrestricted Funds 2015 £	Restated Restricted Funds 2015 £	Total Funds 2015 £	Unrestricted Funds 2014 £	Restricted Funds 2014 £	Total Funds 2014 £
	Notes						
Income and endowments							
Donations and legacies							
- Donations		1,085,782	544,652	1,630,434	1,178,424	546,525	1,724,949
- Legacies		51,486	-	51,486	552	-	552
Investment income		4,428	-	4,428	4,713	-	4,713
Profit on Disposal of Fixed Asset		-	-	-	1,626	-	1,626
Total incoming resources	2	1,141,696	544,652	1,686,348	1,185,315	546,525	1,731,841
Expenditure							
Costs on Raising Funds		24,706	-	24,706	27,085	-	27,085
Charitable activity							
- Charitable activity costs		968,119	510,229	1,478,348	1,019,548	539,585	1,559,133
- Support activity		85,485	-	85,485	118,720	-	118,720
Loss on Disposal of Fixed Asset		28	-	28	-	-	-
Total resources expended	3	1,078,338	510,229	1,588,567	1,165,353	539,585	1,704,938
Net income/(expenditure)	4	63,358	34,423	97,781	19,962	6,940	26,903
Transfers between funds		-	-	-	-	-	-
Net movement in funds		63,358	34,423	97,781	19,962	6,940	26,903
Total funds 1 January as restated		197,871	214,945	412,816	177,909	208,004	385,913
Total funds 31 December		261,229	249,368	510,597	197,871	214,945	412,816

The charity's incoming resources and resources expended all relate to continuing operations.

The charity has no recognised gains or losses other than those included above.

The information presented within the Statement of Financial Activities for the year ended 31 December 2015 is equivalent to that which would have to be disclosed in an income and expenditure account and accordingly a separate income and expenditure account has not been presented, as permitted by Companies Act 2006.

The notes to the financial statements on pages 15 to 23 form part of these accounts.

Mission Direct Limited
Balance Sheet
As at 31 December 2015

Company number: 5289161

	Notes	2015 £	2015 £	2014 £	Restated 2014 £
Tangible assets	7		28,917		10,851
Current assets					
Debtors	8	122,396		85,206	
Cash at bank and in hand		538,325		443,089	
		<u>660,721</u>		<u>528,295</u>	
Creditors: amounts falling due within one year	9	(179,041)		(126,330)	
Net current assets			<u>481,680</u>		<u>401,965</u>
			<u>510,597</u>		<u>412,816</u>
Reserves					
Unrestricted funds	10		261,229		113,620
Restricted funds	10		249,368		299,196
			<u>510,597</u>		<u>412,816</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Trustees on 11 March 2016 and were signed on its behalf by:

Peter Wright - Trustee

The notes on pages 15 to 23 form part of these accounts.

Mission Direct Limited
Statement of Cash Flows
For Year ended December 2015

Company number: 5289161

	2015 £	2014 £
Cash flows from operating activities:		
Net incoming resources	97,781	26,903
Depreciation	13,352	15,385
Loss/(Surplus) on sale of fixed assets	27	(1,626)
Interest received	(4,428)	(4,713)
Trade and other receivables	(37,190)	51,764
Trade and other payables	52,711	(44,726)
Net cash inflow from operating activities	122,253	42,987
Cash flows from investing activities		
Purchase of fixed assets	(31,445)	(1,076)
Proceeds from disposal of fixed assets	-	7,000
Interest received	4,428	4,713
Net increase in cash & cash equivalents	95,236	53,624
Opening cash and cash equivalents	443,089	389,465
Movement in the year	95,236	53,624
Net increase in cash & cash equivalents	538,325	443,089

The notes on pages 15 to 23 form part of these accounts.

Mission Direct Limited

Notes to the financial statements (continued)

For the year 31 December 2015

1. Principal accounting policies

a) General information

Mission Direct is a company limited by guarantee, incorporated in England and Wales. The address of its registered office and principal place of business is disclosed in the company information.

The principal activity of the charity is to demonstrate the Christian faith through service to the materially poor and those in need around the world.

The financial statements are presented in Sterling and this is the functional currency of the charity.

b) Basis of preparation

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards. In preparing the financial statements the charity follows best practice as set out in the Statement of Recommended Practice: 'Accounting and Reporting by Charities' (SORP), the Financial Reporting Standard applicable in the United Kingdom and Ireland (FRS102) and the Charities and Companies Acts.

c) Incoming resources

Income from donations and grants is included in incoming resources when receivable, except as follows:

- When donors specify that donations and grants given to the charity must be used in future accounting periods, the income is deferred until those periods.
- When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for use have been met.
- When sponsorship or donations are given in respect of a trip arising in a future accounting period.

When donors specify that donations and grants are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

Income from legacies is recognised when the three criteria of entitlement, measurability and certainty are met.

d) Resource expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT, which cannot be recovered as the charity is not VAT-registered.

Certain expenditure is directly attributable to specific activities and is included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories according to the nature of the cost.

e) Classification of expenditure

Costs of generating voluntary income are costs incurred with third parties in the UK who promote fundraising, including events.

Mission Direct Limited

Notes to the financial statements (continued)

For the year 31 December 2015

Charitable activity costs are costs in furtherance of the charity's objects all of which is expenditure directly relating to the objects of the charity.

f) Support activity

Support activity represents those costs incurred by UK and overseas based staff, directly providing support for the international programme, including management, policy and advocacy work, programme supervision and technical support. They also include costs incurred in managing the charity, its organisational administration and compliance with constitutional and statutory requirements.

g) Tangible fixed assets

Assets intended for continuing use by the charity are capitalised at cost. Depreciation is provided at the following rates in order to write off each asset over its estimated useful life:

Computers	- 3 years
Office Equipment	- 5 years
Furniture	- 10 years
Program Assets	- 2 years
Motor Vehicles	- 5 years
Leasehold Improvements	- Lease Duration

h) Fund accounting

Funds held by the charity are either;

- Unrestricted funds: These are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.
- Restricted funds: These are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions can arise when specified by the donor or when funds are raised for particular restricted purposes.

i) Foreign currencies

Transactions in foreign currencies are translated at rates prevailing at the date of transaction. Balances denominated in foreign currencies are translated at the rate prevailing at the year end.

j) Operating leases

Rentals applicable to operating leases where substantially all the benefits of ownership and risk remain with the lessor are charged to the SOFA as stated.

k) Investments

The company has limited funds to invest and as such, makes an appropriate use of resources by placing them on medium and short term deposits with banks.

Mission Direct Limited

Notes to the financial statements (continued)

For the year 31 December 2015

l) Cash and Cash equivalents

Cash and cash equivalents are 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.

m) Transition to FRS102

The transition date to FRS102 was 1 January 2014. No restatement of items has been required in making the transition to FRS 102.

n) Restatement of comparatives

The trustees have reviewed the financial structure of the business funds and following this review have restated prior year comparative figures to reflect the current fund operating environment. This has no material effect on the reporting of activities and does not hinder the understanding of the accounts.

2. Incoming resources

Incoming resources are attributable to the principal activities set out in the Charity's vision, mission and values. See note 10 for more details.

3. Total resources expended

	Staff costs £	Other Costs £	Total 2015 £	Total 2014 £
Cost of generating voluntary income	5,684	19,022	24,706	27,085
Direct Programme Delivery	201,217	1,277,137	1,478,354	1,559,133
Support cost	34,105	51,402	85,507	118,720
	<u>241,006</u>	<u>1,347,561</u>	<u>1,588,567</u>	<u>1,704,938</u>

4. Net income/(expenditure)

The net income/(expenditure) is stated after charging/(crediting):

	2015 £	2014 £
Auditors' remuneration:		
Statutory audit fees	7,500	7,575
Depreciation - owned assets	13,352	15,385
Directors'/Trustees' emoluments and other benefits	-	3,333
(Profit)/Loss on disposal of fixed assets	27	(1,626)

Mission Direct Limited

Notes to the financial statements (continued)

For the year 31 December 2015

5. Staff costs

The average number of full time employees working for the charity during the period, on a full-time equivalent basis, was as follows:

	2015 No.	2014 No.
Management and administration	2	2
Direct charitable activities	17	19
	<u>19</u>	<u>21</u>

	2015 £	2014 £
Gross wages and salaries	220,000	206,882
Employer's National Insurance	19,772	17,435
Pension contributions	1,234	-
	<u>241,006</u>	<u>224,317</u>

No employee earned over £60,000 in 2015 (2014: None).

Trustees' remuneration for the year ended 31 December 2015 was none (2014– £3,333).

Remuneration of key management personnel for the year ended 31 December 2015 totalled £49,992 (2014 - £43,349).

6. Taxation

The company is exempt from Corporation Tax as a registered charity.

Mission Direct Limited
Notes to the financial statements (continued)
For the year 31 December 2015

7. Tangible fixed assets

	Leasehold Improvements	Computers	Office Equipment	Furniture	Program Assets	Total
	£	£	£	£	£	£
Cost						
At 1 January 2015	298	37,372	13,047	4,690	5,515	60,922
Additions	27,948	1,600	1,898			31,446
Disposals		(577)	(635)			(1,212)
At 31 December 2015	28,246	38,395	14,309	4,690	5,515	91,156
Depreciation						
At 1 January 2015	298	29,080	11,373	3,805	5,515	50,071
Charge for year	2,795	8,467	1,205	885		13,352
Disposals		(577)	(607)			(1,184)
At 31 December 2015	3,093	36,970	11,971	4,690	5,515	62,239
Net book values						
At 31 December 2015	25,153	1,425	2,339	-	-	28,917
At 31 December 2014	-	8,293	1,674	885	-	10,851

8. Debtors

	2015 £	2014 £
Other debtors	79,446	58,282
Prepayments	42,950	26,924
	122,396	85,206

Mission Direct Limited
Notes to the financial statements (continued)
For the year 31 December 2015

9. Creditors: amounts falling due within one year

	2015	2014
	£	£
Deferred income	153,991	113,721
Taxation and social security	4,817	5,278
Accruals	20,233	7,331
	<u>179,041</u>	<u>126,330</u>

Deferred Income

	2015	2014
	£	£
Opening balance	113,721	155,892
Released during the year	(113,721)	(155,892)
Income deferred in the year	153,991	113,721
Closing Balance	<u>153,991</u>	<u>113,721</u>

Deferred income relates to donations received from team members in relation to trips taking place in the following year.

Mission Direct Limited
Notes to the financial statements (continued)
For the year 31 December 2015

10. Funds

The income funds of the charity include restricted and unrestricted funds comprising the following unexpended balances of donations, grants and other incoming resources to be applied for these purposes:

	Restated Brought forward £	Income £	Expenditure £	Transfers £	Carried forward £
Unrestricted Funds					
United Kingdom	131,349	400,746	(345,564)	-	186,530
Brazil	1,500	29,293	(20,824)	(8,469)	1,500
Cambodia	1,500	43,778	(39,272)	(4,506)	1,500
The Dominican Republic	1,500	96,115	(91,795)	(4,320)	1,500
Guyana	-	2,306	(2,306)	-	-
India	1,500	29,920	(27,797)	(2,123)	1,500
Kenya	1,500	76,135	(71,579)	(4,556)	1,500
Malawi	500	5,750	(6,733)	983	500
Moldova	1,500	39,866	(32,277)	(7,589)	1,500
Sierra Leone	1,500	11,795	(13,692)	1,897	1,500
Uganda	3,000	160,796	(140,303)	(20,493)	3,000
Zambia	3,500	123,141	(113,332)	(9,809)	3,500
Zimbabwe	1,500	40,681	(43,980)	3,299	1,500
Additional Campaign Cost	47,522	81,374	(128,883)	55,686	55,699
Total Unrestricted	197,871	1,141,696	(1,078,338)	-	261,229
Restricted Funds					
Education and Training Fund	90	135	(225)	-	-
Brazil	12,757	24,378	(15,333)	-	21,802
Cambodia	18,079	22,838	(14,987)	-	25,930
The Dominican Republic	17,746	121,441	(88,559)	-	50,628
India	236	29,590	(23,747)	-	6,079
Kenya	13,030	36,252	(41,274)	-	8,008
Malawi	5,251	6,566	(10,580)	-	1,237
Moldova	10,439	20,249	(17,757)	-	12,931
Sierra Leone	28,486	16,106	(26,324)	-	18,268
Uganda	69,287	120,670	(123,724)	-	66,233
United Kingdom	593	2,212	(2,212)	-	593
Zambia	30,850	67,392	(72,258)	-	25,984
Zimbabwe	8,101	76,823	(73,249)	-	11,675
Total Restricted	214,945	544,652	(510,229)	-	249,368
Total Funds	412,816	1,686,348	(1,588,567)	-	510,597

Mission Direct Limited

Notes to the financial statements (continued)

For the year 31 December 2015

Note 10 (continued)

Transfers between the unrestricted funds reflect the cost of direct administrative support given to each country campaign or the subsidy given from the additional campaign cost fund to enable specific country campaigns to operate.

Restricted funds are held for the following purposes:

Education and Training Fund	To contribute to children's' costs in Sierra Leone Schools and invest in training for individuals meeting the funds qualifications.
Brazil	For income and expenditure arising from Mission Direct Projects in Brazil.
Cambodia	For income and expenditure arising from Mission Direct Projects in Cambodia.
The Dominican Republic	For income and expenditure arising from Mission Direct Projects in The Dominican Republic.
India	For income and expenditure arising from Mission Direct Projects in India.
Kenya	For income and expenditure arising from Mission Direct Projects in Kenya.
Malawi	For income and expenditure arising from Mission Direct Projects in Malawi.
Moldova	For income and expenditure arising from Mission Direct Projects in Moldova.
Sierra Leone	For income and expenditure arising from Mission Direct Projects in Sierra Leone.
Uganda	For income and expenditure arising from Mission Direct Projects in Uganda.
United Kingdom	For income and expenditure arising from Mission Direct funds within the United Kingdom.
Zambia	For income and expenditure arising from Mission Direct Projects in Zambia.
Zimbabwe	For income and expenditure arising from Mission Direct Projects in Zimbabwe.

The brought forward balances of funds have been restated in line with the trustees' review of the financial structure of the business (see note 1(n) of these accounts).

Mission Direct Limited
Notes to the financial statements (continued)
For the year 31 December 2015

11. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
Tangible fixed assets	28,917	-	28,917	10,851
Debtors	122,396	-	122,396	85,206
Cash	288,957	249,368	538,325	443,089
Current Liabilities	(179,041)	-	(179,041)	(126,330)
Total net assets	261,229	249,368	510,597	412,816

12. Operating lease commitments

Financial commitments under non-cancellable operating leases will result in the following payments falling due in the forthcoming year:

	2015 £	2014 £
Office equipment expiring in less than 1 year	8,328	-
Office equipment expiring between 1 year and 5 years	3,402	7,848
Office equipment expiring in greater than 5 years	520	480

13. Trustee Donations, expenses and related party disclosures

- i. Unrestricted donations received from trustees and key management personnel during the year totalled £18,989 (2014 - £30,379)
- ii. Mission Direct's policy is that Trustees do not claim expenses
- iii. There were no related party transactions during 2015 (2014 – None)

14. First time adoption of FRS102

In preparing these accounts the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

No restatement of items has been required in making the transition to FRS 102.