

MECO UK AND IRELAND

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

A Company Limited by Guarantee
and not having a Share Capital
Registration Number 01266390

Charity Registration Number 272327

NORMAN COX & ASHBY
Chartered Accountants and Statutory Auditors
Grosvenor Lodge
72 Grosvenor Road
Tunbridge Wells
Kent TN1 2AZ

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MECO UK AND IRELAND

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MECO UK AND IRELAND

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016

INTRODUCTION

The Trustees are pleased to present their annual director's report together with the financial statements of the charity for the year ending 31 March 2016 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities.

OBJECTIVES AND ACTIVITIES

The principal object of MECO is the advancement of the Christian faith in partnership with Middle Eastern Churches and Christian Organisations. MECO's specific concern is to proclaim the Christian Gospel in the Middle East and adjacent lands by whatever means are appropriate.

The objects of the Charity shall be conducted in accordance with the basic truths of Christianity, as revealed in Holy Scripture and expressed in MECO's Statement of Faith.

The Trustees are responsible for the management of the Charity within the United Kingdom. Until merger (see below) it was represented on an International Board which had responsibility for the worldwide activities of MECO International.

The vision of MECO International is to see the love of Jesus Christ lived and proclaimed in the Middle East.

The mission of MECO International is to support Middle East Christians in sharing the love of Jesus Christ. This support includes prayer, example, service, partnering with churches, training and development, and encouraging church planting.

The Trustees have adopted the following Vision and Mission Statements for MECO UK and Ireland.

MECO UK and Ireland's vision is that churches in the UK will help equip churches in the Middle East for local and cross-cultural mission to Middle Eastern people through prayer, sending gifted Christian workers and financial support.

MECO UK and Ireland's mission:

- To create awareness in the UK Christian community of God's work in the Middle East, and the needs and the opportunities for service.
- To strengthen partnership with supporting churches and draw in others, leading to further prayer, new workers being called for service in the region and financial support.
- To equip and support workers sent from UK churches through preparation, on-going support and training.

ACHIEVEMENTS AND PERFORMANCE

REVIEW OF ACTIVITIES

In executing their responsibilities, the Trustees have been mindful of the public benefit guidance published by the Charity Commission given under Section 17 of the 2011 Charities Act.

During the year, the objectives of MECO UK and Ireland have been pursued through members serving in the Middle East and through the National Office staff and area Representatives to raise awareness of needs and opportunities for service in the Middle East, and to present perspectives gained from our relationships with Middle Eastern Christians.

MECO UK AND IRELAND

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

MIDDLE EAST

Our service in partnership with local churches and other agencies continues and is valued by national church leaders. The charity sends personnel with the necessary expertise to make a significant contribution to the work of Middle East churches. In line with MECO's Objectives, its work advances the Christian religion by:

- encouraging local Christians by our presence and support of their activities
- training Christians in theology, caring and pastoral work
- strengthening local Christian ministries within local communities by the provision of additional effort and expertise
- setting an example in Christian living
- providing practical help to refugees and others in need

Many national leaders of Middle East churches regard MECO's work as valued examples of help from Christian agencies in the West and welcome MECO personnel as among the best trained and equipped.

Some MECO personnel make a long-term service commitment to the people and the region. New members spend up to two years in full-time language learning and orientation. Some members serve in supporting the induction process or in providing necessary administrative support. However, changing socio-economic conditions in UK mean that we are seeing an increase in those seeking shorter placements in the region, and we are working with our partners to facilitate this.

Specific ministries of MECO personnel during the past year include:

- key educational roles in schools and colleges, often with additional responsibilities in counselling, training and associated church work
- rehabilitation/development programmes, serving sick and disabled young people, along with their families
- support to a national agency training local people to gain employment in basic health care, computer training, nursery teaching, hairdressing and approximately fifteen other vocations, and providing micro-loans and training to enable people to provide for their families
- working with local churches in teaching and training to encourage the application of faith to community life
- lecturing in Bible Colleges
- Bible translation
- providing support for Christians suffering discrimination or persecution because of their faith
- working alongside local churches and agencies to provide practical assistance to those displaced through conflict

Members serve the population without discrimination, seeking to make the gospel invitation known to all without coercion or inducement.

UNITED KINGDOM

During the year, efforts have continued to keep the Charity before the Christian public. MECO maintains contact with donors and supporters, as well as visiting churches and conferences. Advertising in the Christian press and distribution of promotional DVDs inform supporters and enquirers of the challenges and opportunities for Christian service in the Middle East. MECO also maintains an up-to-date web site for supporters and enquirers at <http://www.mecoglobal.org>. As a result, there is a steady stream of enquiries about service in the Middle East. With increased inward migration into UK of those from the Middle East, we are also seeing new opportunities to provide practical help and support to these emerging communities.

Recruitment of suitable personnel is a priority of the Trustees and Home Office staff, although the current economic, political and cultural context makes this a challenging task. During the past year two short term workers were recruited, as well as five volunteers for a summer team in Lebanon.

MECO UK AND IRELAND

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

MECO UK and Ireland also provides some administrative services for MECO International. Many unpaid volunteers provide services ranging from professional expertise to encouraging supporter groups and churches.

FINANCIAL REVIEW

The total income for the year was £816,822 (2015: £705,091) including legacy income of £277,222 (2015: £64,761). The total expenditure was £634,849 (2015: £730,782), of which £548,404 (2015: £661,671) was spent on the direct charitable activities of the Charity.

The Charity owns a freehold property, which was verbally valued during 2005 at £400,000. It is shown in the financial statements at £24,000 which was based upon a valuation made on 15 April 1977.

The Charity does not employ professional fund-raisers at the present time.

MECO International and the Trustees of MECO UK and Ireland have agreed that the Interim UK Director (paid member of staff) should spend 25% of his time on UK business and the remaining 75% in his role as International Director. His total salary and associated costs are shown in the UK accounts.

A personal pension plan has been set up within a MECO Stakeholder Group Scheme. Premiums are paid monthly either into Stakeholder accounts, or members' pre-existing plans, for all persons employed by the Charity. The premiums are reviewed annually. We are assured by our pension provider that the scheme is auto-enrolment compliant and procedures are in place to undertake the necessary communications ahead of our staging date.

RESERVES POLICY

The Trustees consider it would be desirable to hold in reserve in the UK four months' expenditure, net of regular standing orders received into the Charity's bank account for these purposes, plus some contingency. The Trustees have agreed that £35,000 is currently an appropriate sum (approximately £80,000 expenditure less £55,000 standing order income, plus £10,000 contingency. This sum should be sufficient to meet administrative and legal costs, pay, pension contributions and statutory redundancy payments in the event of closure, and to support evacuation if necessary of individual missionaries lacking personal emergency funds. Although the income comes from churches and individuals and is not guaranteed, past experience, when large scale evacuations of our personnel from Middle East countries have had to be made, has led the Trustees to believe that regular giving continues and the response from Christian churches and individuals will be sufficient to meet such emergencies.

At 31 March 2016 the free reserves were in deficit on the General Fund by £2,553. This is offset against the Designated UK Reserve Fund balance of £35,000.

PLANS FOR FUTURE PERIODS

Increasing complexity in the Middle East, and capacity issues in UK have led to a review of our operating model. We concluded that our charitable objects are likely to be better served by working in partnership with others. After a broad review of potential partners, MECO International has been in dialogue with SIM International (UK) (Registered company number 00611250 and registered charity number 219763) and agreed in early 2016 that MECO's work in the Middle East should form the core of a new SIM team in that area.

This new arrangement will benefit from the continuity of MECO's long experience of the region, its missionaries' expertise and its network of people who pray, support and give. It will also benefit from SIM's global capacity for recruitment, and the scale and depth of its support services. We believe this will allow God's work to thrive, specifically in mobilising people and resources for mission in the Middle East and amongst diaspora Middle Eastern people.

MECO UK AND IRELAND

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016

PLANS FOR FUTURE PERIODS (CONTINUED)

During 2016 MECO UK has correspondingly been in dialogue with SIM UK to pursue a merger of the two entities in the UK. Since the year under review the two missions have completed a contract with the effect that MECO UK transfers all its assets and liabilities to SIM UK on 30 September 2016, while SIM UK takes over MECO's operations and will incorporate these within its wider structure. MECO UK will be dissolved in due course.

STRUCTURE, GOVERNANCE AND MANAGEMENT

GOVERNING DOCUMENT

MECO was incorporated on 14 April 1976 under company registration number 01266390. It is a company limited by guarantee and not having a share capital. It was registered with the Charity Commission under number 272327. The Trustees are also the members.

APPOINTMENT OF NEW TRUSTEES

The existing Trustees appoint new Trustees on the basis of the skills required. All Trustees subscribe to the Statement of Beliefs set out in the Memorandum of Association. Prior to appointment, prospective Trustees meet the existing Trustees and key members of staff. They attend two meetings of the Trustees as observers, and then meet the chairman and a member of staff who make a recommendation. The aims and objectives of the Charity are explained together with the duties of a Trustee. Also they receive a copy of the Memorandum and Articles of Association, a copy of the latest annual report and financial statements and a booklet on the duties of Charity Trustees.

Trustees retire by rotation in accordance with the provisions of the Articles of Association. One third of the Trustees retires each year. At the forthcoming annual general meeting Mr David Holmes and Rev Peter Manson retire by rotation and being eligible offer themselves for re-election.

The Trustees of MECO are responsible for preparing the financial statements in accordance with applicable law and regulations.

ORGANISATION

MECO is directed by the Trustees, all of whose members are volunteers. They currently meet at least four times a year to discuss the strategic issues facing the Charity and to support and encourage the work. They are supported by Personnel and Finance Committees that each includes a number of Trustees. The work of the Charity is led by the Interim UK Director who reports to the Trustees at each meeting. The Trustees seek to make decisions by consensus rather than majority vote, unless a vote is legally required. No Trustees received any fees during the year. Trustees are entitled to receive travel expenses for attending meetings of the Trustees.

CONNECTED CHARITY

Dr A B Harris is a trustee and was also a trustee of Middle East Development Services a company limited by guarantee and not having share capital, and also a registered charity. Note 14 to the financial statements gives details of the financial dealings between MECO UK and Ireland and MEDS.

RISK MANAGEMENT

The Trustees have carefully identified and examined the major risks, which the Charity faces and confirms that systems have been established to mitigate these risks. An internal document has been produced and an annual review established.

REFERENCE AND ADMINISTRATIVE INFORMATION

CHARITY REGISTRATION NUMBER	272327
COMPANY REGISTRATION NUMBER	01266390

MECO UK AND IRELAND

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016

REFERENCE AND ADMINISTRATIVE INFORMATION (CONTINUED)

PRINCIPAL AND REGISTERED OFFICE 22 Culverden Park Road
Tunbridge Wells
Kent TN4 9RA

INDEPENDENT EXAMINER N J Russ, FCCA
Norman Cox & Ashby
Chartered Accountants
and Statutory Auditors
Grosvenor Lodge
72 Grosvenor Road
Tunbridge Wells
Kent TN1 2AZ

BANKERS National Westminster Bank plc
89 Mount Pleasant Road
Tunbridge Wells
Kent TN1 1QJ

DIRECTORS AND TRUSTEES

The directors of the charitable company (the charity) are its trustees for the purposes of charity law. The trustees and officers serving during the year were as follows:

Dr Anthony Harris (Chairman)
Mr David Holmes (Treasurer)
Mr Norman Critchell

Rev Peter Manson (Vice Chairman)
Mrs Elizabeth Hayes

KEY MANAGEMENT PERSONNEL

INTERIM UK DIRECTOR The Rev Canon M Parker

COMPANY SECRETARY Mr N Lawrence

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Company law requires the Trustees of MECO to prepare financial statements for each financial year. Under that law the Trustees of MECO have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of MECO and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that MECO will continue in operation.
- state whether applicable accounting standards and Statement of Recommended Practice have been followed, subject to any departures disclosed and explained in the financial statements.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of MECO and which enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of MECO and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.


MECO UK AND IRELAND

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016

This report has been prepared in accordance with the small company regime (section 419(2) of the Companies Act 2006).

Approved by the Trustees on *18 Oct 2016* and signed on its behalf by

A B HARRIS
Chairman

A handwritten signature in black ink, appearing to be 'ABH', with a long horizontal line extending to the right.

MECO UK AND IRELAND

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF MECO UK AND IRELAND

I report on the accounts of the company for the year ended 31 March 2016, which are set out on pages 8 to 17.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of The Association of Chartered Certified Accountants.

Having satisfied myself that the charity is not subject to audit under Part 16 of the Companies Act 2006 and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 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 Commission. 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, no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

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 section 386 of the Companies Act 2006, and
 - (b) to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave 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.



N Russ FCCA
For and on behalf of NORMAN COX & ASHBY
Chartered Accountants and Registered Auditors
Grosvenor Lodge
72 Grosvenor Road
Tunbridge Wells
Kent TN1 2AZ

20 October 2016

MECO UK AND IRELAND

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2016

INCOME AND EXPENDITURE ACCOUNT

	Notes	Unrestricted Funds General £	Designated £	Restricted Funds £	2016 Total £	2015 Total £
INCOME						
Donations and legacies						
Donations and Gifts		137,995	-	397,045	535,040	636,222
Legacies		277,222	-	-	277,222	64,761
Other						
Rental Income		2,707	-	-	2,707	3,053
Investments Income						
UK Bank Deposit Interest		1,853	-	-	1,853	1,055
TOTAL		419,777	-	397,045	816,822	705,091
EXPENDITURE						
Raising Funds	2	57,090	-	181	57,271	69,111
Charitable Activities	2	158,298	22,778	367,328	548,404	661,671
Other	2	-	29,174	-	29,174	-
TOTAL		215,388	51,952	367,509	634,849	730,782
NET INCOME/(EXPENDITURE)		204,389	(51,952)	29,536	181,973	(25,691)
Transfers between Funds	12	(199,276)	247,850	(48,574)	-	-
NET MOVEMENT IN FUNDS		5,113	195,898	(19,038)	181,973	(25,691)
TOTAL FUNDS BROUGHT FORWARD AT 1 APRIL 2015		28,703	228,051	107,668	364,422	390,113
TOTAL FUNDS CARRIED FORWARD AT 31 MARCH 2016		£33,816	£423,949	£88,630	£546,395	£364,422
Represented by:						
Fixed Assets		36,369	-	-	36,369	39,738
Current Assets		31,981	423,949	88,630	544,560	351,900
Current Liabilities		(34,534)	-	-	(34,534)	(27,216)
		£33,816	£423,949	£88,630	£546,395	£364,422

MECO UK AND IRELAND

BALANCE SHEET AT 31 MARCH 2016

	Notes	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible Assets	5		36,369		39,738
CURRENT ASSETS					
Stock		745		807	
Debtors	6	41,540		42,371	
Cash at Bank					
Current Accounts		11,226		8,673	
Deposit Accounts		491,028		300,040	
Cash in Hand		21		9	
		<u>544,560</u>		<u>351,900</u>	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR					
Accruals		4,620		5,000	
Other Creditors		29,914		22,216	
		<u>34,534</u>		<u>27,216</u>	
NET CURRENT ASSETS			510,026		324,684
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>£546,395</u>		<u>£364,422</u>
CAPITAL AND RESERVES					
Unrestricted Funds					
General Fund	7		9,816		4,703
Revaluation Reserve	7		24,000		24,000
Designated Funds	8		423,949		228,051
Restricted Funds	9		88,630		107,668
			<u>£546,395</u>		<u>£364,422</u>

For the financial year ended 31 March 2016, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

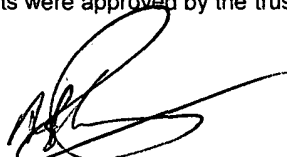
Trustees' responsibilities:

- The members have not required the charitable company to obtain an audit of its accounts for the year in question in accordance with section 476
- The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the special provisions relating to small companies regime and the Financial Reporting Standard for Smaller Entities (effective January 2015).

These financial statements were approved by the trustees on 19 Oct 2016 and signed on their behalf by

A B HARRIS



Chairman

D HOLMES



Trustee

Company Registration No. 01266390

MECO UK AND IRELAND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

1 ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

(a) BASIS OF PREPARATION

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 for Smaller Entities published on 16 July 2014, the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

(b) INCOME RECOGNITION

All income is recognised once the charity has entitlement to the income, there is sufficient certainty of receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Donations are recognised when they have been received. Tax recoverable on gift aid is accounted for on the date the associated gift was received.

Investment income is recognised when received.

Legacies are recognised as receivable at the earlier of:

- The date on which the charity is aware that probate has been granted;
- The estate has been finalised and notification has been made by the executors to the charity that a distribution will be made
- When a distribution is made from the estate,

Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution.

(c) EXPENDITURE RECOGNITION

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on Raising Funds comprise the costs of seeking to raise voluntary contributions and awareness.
- Expenditure on Charitable Activities are costs incurred directly on the objects of the charity and the associated support and governance costs.
- Other expenditure represents those items not falling into any other heading.

(d) ALLOCATION OF SUPPORT AND GOVERNANCE COSTS

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include head office costs, finance and governance costs which support the charitable activities. These costs have been allocated to the charitable activities concerned.

(e) FUNDS ACCOUNTING

Unrestricted Funds are expendable at the discretion of the Trustees in the furtherance of the Objects of the Charity.

Designated Funds are unrestricted funds set aside by the Trustees for specific purposes.

Restricted Funds are monies raised for, and their use restricted to, a specific purpose or donation subject to conditions imposed by the donors.

(f) OPERATING LEASES

Operating lease rentals of office equipment are charged to the income and expenditure account as incurred.

MECO UK AND IRELAND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

1 ACCOUNTING POLICIES (CONTINUED)

(g) TANGIBLE FIXED ASSETS AND DEPRECIATION

The freehold premises are included at a valuation approved by the Trustees on 15 April 1977. As the market value exceeds the carrying value no further depreciation charge has been provided. Although this accounting policy is in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015), it is a departure from the general requirement of the Companies Act 2006 for all tangible assets to be depreciated. In the opinion of the trustees compliance with the standard is necessary for the financial statements to give a true and fair view.

Prior to 1 April 1991, equipment and motor vehicles were purchased from Replacement Funds, to which annual transfers were made, and the assets were not included in the Balance Sheet. From 1 April 1991, fixed assets purchased greater than £200 are capitalised and depreciated in accordance with the accounting policy.

From 1 April 2012, fixed assets purchased greater than £1,000 are capitalised and depreciated in accordance with the accounting policy.

Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over their expected useful life, as follows:

Office Equipment - 15% per annum on net book value

(h) STOCKS

Stocks are stated at the lower of cost and net realisable value.

(i) DEBTORS

Debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid after taking account of any discounts due.

(j) CREDITORS

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured reliably. Creditors and provisions are measured at their settlement amount after allowing for any discounts.

(k) FINANCIAL INSTRUMENTS

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

(l) PENSION SCHEME

The company operates a defined contribution scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.

2 EXPENDITURE

	Unrestricted Funds		Restricted	2016	2015
	General	Designated	Funds	Total	Total
	£	£	£	£	£
RAISING FUNDS					
Advertising	12,207	-	-	12,207	15,345
Conferences	2,475	-	181	2,656	9,235
Travelling	2,883	-	-	2,883	2,779
Postage and Telephone	34	-	-	34	816
Stationery	306	-	-	306	315
Salaries	34,108	-	-	34,108	35,394
National Insurance	2,713	-	-	2,713	2,520
Pension Fund	2,014	-	-	2,014	1,807
Subscriptions	350	-	-	350	900
	<u>£57,090</u>	<u>£-</u>	<u>£181</u>	<u>£57,271</u>	<u>£69,111</u>

MECO UK AND IRELAND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

2 EXPENDITURE (CONTINUED)

	Unrestricted Funds		Restricted Funds	2016	2015
	General	Designated	Funds	Total	Total
	£	£	£	£	£
CHARITABLE ACTIVITIES					
Missionary Allowances and National Insurance	-	-	204,413	204,413	220,221
Remittances Overseas	-	-	-	-	-
Restricted Purposes	-	22,778	116,777	139,555	227,407
Travelling	2,699	-	3,726	6,425	15,408
Postage and Telephone	6,998	-	246	7,244	7,189
Stationery	2,658	-	-	2,658	3,053
Medical Expenses	320	-	3,701	4,021	9,427
School Fees	-	-	880	880	2,484
General Expenses	-	-	625	625	2,180
Allowances and Salaries to Home Staff	82,859	-	-	82,859	69,599
National Insurance	4,507	-	-	4,507	6,520
Pension Fund	6,791	-	36,792	43,583	44,858
Property Repairs and Maintenance	2,079	-	-	2,079	3,998
Repair and Maintenance of Office Equipment	10,348	-	-	10,348	8,370
Rent, Rates, Gas and Electricity	5,793	-	-	5,793	4,661
Insurance	2,216	-	-	2,216	2,217
Allowances to Retired Missionaries	5,921	-	-	5,921	5,336
Depreciation	3,369	-	-	3,369	4,443
Loss on disposal of fixed assets	-	-	-	-	3,089
Subscriptions	1,145	-	-	1,145	1,700
International Office Contribution	13,824	-	-	13,824	16,358
South African Office costs	-	-	-	-	501
Accountancy and Independent Examination	4,620	-	-	4,620	(208)
Bank Charges	2,151	-	168	2,319	2,860
	<u>£158,298</u>	<u>£22,778</u>	<u>£367,328</u>	<u>£548,404</u>	<u>£661,671</u>
OTHER EXPENDITURE					
Partnership Preparation Costs	-	29,174	-	29,174	-
	<u>£-</u>	<u>£29,174</u>	<u>£-</u>	<u>£29,174</u>	<u>£-</u>

MECO UK AND IRELAND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

3 ANALYSIS OF EXPENDITURE

	Staff Costs £	Depreciation £	Other Charitable Expenditure £	2016 Total £	2015 Total £
Raising funds	38,835	-	18,436	57,271	69,111
Charitable Activities					
Support	94,157	-	27,876	122,033	107,595
General	247,126	3,369	175,876	426,371	554,076
	341,283	3,369	203,752	548,404	661,671
Other	7,583	-	21,591	29,174	-
	£387,701	£3,369	£243,779	£634,849	£730,782
Unrestricted	146,496	3,369	117,475	267,340	268,797
Restricted	241,205	-	126,304	367,509	461,985
	£387,701	£3,369	£243,779	£634,849	£730,782

4 STAFF COSTS

	2016 £	2015 £
Salaries and Wages	314,150	314,473
National Insurance	22,033	19,781
Pension Contributions to a Defined Contribution Scheme	45,597	46,665
Pension Paid to Retired Missionaries	5,921	5,336
	£387,701	£386,255

The average monthly number of employees during the year, were

Office and Administration	5	5
Missionaries	17	17
	22	22

No employee has emoluments above £60,000 per annum.

MECO UK AND IRELAND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

5 TANGIBLE FIXED ASSETS

	Freehold Property £	Office Equipment £	Total £
Cost or Valuation			
At 1 April 2015	24,000	86,432	110,432
Disposals	-	-	-
At 31 March 2016	<u>24,000</u>	<u>86,432</u>	<u>110,432</u>
Depreciation			
At 1 April 2015	6,720	63,974	70,694
Charge for the year	-	3,369	3,369
Disposals	-	-	-
At 31 March 2016	<u>6,720</u>	<u>67,343</u>	<u>74,063</u>
Net Book Value			
At 31 March 2016	<u>£17,280</u>	<u>£19,089</u>	<u>£36,369</u>
At 31 March 2015	<u>£17,280</u>	<u>£22,458</u>	<u>£39,738</u>

The freehold property was valued at £24,000 on 15 April 1977 and approved by the Trustees at that date. The Trustees consider the market value of the property to be significantly higher than the carrying value at the year-end. For this reason the property has not been depreciated during the year.

6 DEBTORS

	2016 £	2015 £
Income Tax Recoverable	11,542	10,160
Other Debtors	24,758	23,350
Transmissions	5,240	8,861
	<u>£41,540</u>	<u>£42,371</u>

7 UNRESTRICTED FUND - GENERAL FUND

	Income and Expenditure Account £	Revaluation Reserve £	Total £
At 1 April 2015	4,703	24,000	28,703
Income	419,777	-	419,777
Expenditure	(215,388)	-	(215,388)
Transfers	(199,276)	-	(199,276)
At 31 March 2016	<u>£9,816</u>	<u>£24,000</u>	<u>£33,816</u>

MECO UK AND IRELAND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

8 DESIGNATED FUNDS

	At 1 April 2015 £	Income £	Expenditure £	Transfers £	At 31 March 2016 £
LES Property Repair Fund	2,284	-	-	2,661	4,945
UK Reserve Fund	35,000	-	-	-	35,000
Legacy Fund	190,767	-	(51,952)	245,189	384,004
	<u>£228,051</u>	<u>£-</u>	<u>£(51,952)</u>	<u>£247,850</u>	<u>£423,949</u>

The designated funds are used to set aside monies for estimated future expenditure. The UK Reserve Fund is a contingency fund for future use. The Legacy Fund represents monies set aside to be utilised on various future projects. The LES Property Repair Fund is rental money set aside for future repair costs on properties in Lebanon.

9 RESTRICTED FUNDS

	At 1 April 2015 £	Income £	Expenditure £	Transfers £	At 31 March 2016 £
Missionaries' support fund	48,717	292,530	(258,348)	(38,312)	44,587
Other restricted projects	58,951	104,515	(109,161)	(10,262)	44,043
	<u>£107,668</u>	<u>£397,045</u>	<u>£(367,509)</u>	<u>£(48,574)</u>	<u>£88,630</u>

Missionaries' Support fund is for the support of individual missionaries in the fields. Other restricted projects comprise numerous projects in the Middle East which are supported by individual donors.

10 PENSION FUND

Pension scheme contributions are paid monthly. Total contributions paid in the year ended 31 March 2016 amounted to £45,597 (2015: £46,665).

The company also paid allowances during the year to four (2015: five) retired missionaries who were not in any pension scheme operated by the company which amounted to £5,921 (2015: £5,336). These are regularly reviewed and assessed according to the financial needs of the individuals. The estimated future costs to the company based on current year expenditure and average life expectancy tables amounts to £34,273 (2015: £31,504).

11 NET INCOMING RESOURCES BEFORE TRANSFERS

The net income before transfers is stated after charging:

	2016 £	2015 £
Accountancy, bookkeeping and independent examination	4,620	(208)
Depreciation and loss on disposal		
General Fund	3,369	7,532
And after crediting:		
Deposit Account and Investment Income	1,853	1,055
Rents	2,707	3,053
Income Tax Recovered on		
Gift Aid and other Taxed Income	43,738	49,975
	<u>15</u>	

MECO UK AND IRELAND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

12 TRANSFERS BETWEEN FUNDS

	Unrestricted Funds		Restricted Funds	Total
	General	Designated	Funds	
	£	£	£	£
Service Charge				
on Restricted Donations	48,574	-	(48,574)	-
Income Designated for Legacy Fund	(277,222)	277,222	-	-
Designation of repair fund for properties	(2,661)	2,661	-	-
Funding of 2015 and 2016 general fund deficits	32,033	(32,033)	-	-
	<u>£(199,276)</u>	<u>£247,850</u>	<u>£(48,574)</u>	<u>£ -</u>

13 MEMBERS' LIABILITY

- 1 The company is limited by guarantee and has no share capital.
- 2 At 31 March 2016 there were 5 members on the register (2015: 6).
- 3 In accordance with the Memorandum of Association each member is liable for such a sum, not exceeding £1 as may be required in the event of the company being wound up, for the period of membership or within one year after ceasing to be a member.

14 CONNECTED CHARITY

During the year the company collected donations totalling £11,394 (2015: £23,935) on the behalf of Middle East Development Services. The company has also loaned Middle East Development Services £10,000 (2015: £10,000) from the legacy fund on an interest free basis. Payments overseas were made on Middle East Development Services' behalf totalling £7,772 (2015: £27,148) and £nil (2015: £18,442) was directly transferred into its bank account. The total amount due to the company at the balance sheet date and included in other debtors is £15,240 (2015: £18,861). Dr A B Harris was a trustee of both charitable companies at 31 March 2016 but has subsequently resigned from Middle East Development Services in July 2016 and Rev M Parker, Interim UK Director, is also a trustee of Middle East Development Services.

15 FINANCIAL COMMITMENTS

At 31 March 2016 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2017:

	2016	2015
	£	£
Operating leases which expire:		
In less than one year	£2,496	£-
Between two and five years	£-	£2,496
	<u>£2,496</u>	<u>£2,496</u>

16 TRANSACTIONS WITH TRUSTEES

During the year no trustee received remuneration. Travel expenses were reimbursed to one (2015: one) trustee during the year of £117 (2015: £138).

There is a Trustees indemnity insurance which is combined with general insurance cover.

MECO UK AND IRELAND**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016****17 POST BALANCE SHEET EVENTS**

As detailed more fully in the Report of the Trustees, MECO UK and Ireland has formally agreed to enter into a partnership with SIM International (UK) and will transfer operations, assets and liabilities from 30 September 2016.