



**ELIM FOURSQUARE GOSPEL
ALLIANCE**

**CONSOLIDATED
FINANCIAL STATEMENTS
YEAR ENDED 30 September 2013**

LEGAL AND ADMINISTRATIVE DETAILS

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LEGAL AND ADMINISTRATIVE DETAILS

Charity registration

England and Wales 251549
Scotland SCO37754

Registered Office

De Walden Rd
West Malvern
Worcestershire
WR14 4DF

Property Trustee

The Elim Trust Corporation

Directors of the Elim Trust Corporation

Rev D Campbell	Rev M Pugh
Rev C W Dye	Rev R Millar
Rev G H Neale	Rev S D Foster
Rev K M Peat	Rev N Tween - resigned March 2014
Rev C W P Jones - resigned June 2013	Rev S Blount
Rev J J Glass (Chairman)	Rev C P Cartwright
Rev James J Glass – appointed June 2014	Rev D Clarke - appointed June 2014

National Leadership Team and Trustees

Rev John J Glass (Chairman)	Rev D Campbell
James J Glass - appointed April 2014	Rev M Pugh
Rev C W Dye	Rev G H Neale
Rev S D Foster	Rev K M Peat
Rev N Tween - resigned March 2014	Rev C W P Jones- resigned June 2013
Rev S Blount	Rev C P Cartwright
D Clarke - appointed April 2014	

Principal Officers

General Superintendent	Rev John Glass
Finance Director	Rev Robert Millar
International Missions Director	Rev Paul Hudson
Administrator / Secretary	Rev Bruce Hunter
Irish Superintendent	Rev Edwin Michael
Principal of Regents Theological College	Rev Nigel Tween - resigned May 2014
Evangelism Director	Rev Gary Gibbs
National Director of Youth Ministries	Rev Tim Alford

LEGAL AND ADMINISTRATIVE DETAILS

Bankers

Lloyds Bank Plc
130 High Street
CHELTENHAM
Gloucestershire
GL50 1EW

RBS/ National Westminster Bank Plc
31 Promenade
CHELTENHAM
Gloucestershire
GL50 1LH

Solicitors

Anthony Collins Solicitors LLP
134 Edmund St
Birmingham
B3 2ES

dfLegal
1 North Place
Cheltenham
Gloucestershire
GL50 4DW

Bates Wells & Braithwaite
2-6 Cannon Street
London
EC4M 6YH

Auditors

Grant Thornton UK LLP
Registered Auditors
Hartwell House
55-61 Victoria Street
Bristol
BS1 6FT

Other advisers

Pension Fund Solicitors

Dickinson Dees
NEWCASTLE

Pension Fund Administrators

Punter Southall
Wellbar Central
Gallowgate
NEWCASTLE
NE1 4TD

Pension Fund Actuaries

Punter Southall
33-35 Queen Square
BRISTOL
BS1 4LU

Solicitors in Scotland

Beveridge Philip & Ross
22 Bernard St
Leith
EDINBURGH
EH6 6PS

Solicitors in Northern Ireland

Cunningham and Dickey
68 Upper Church Lane
BELFAST
BT1 4LG

REPORT OF THE TRUSTEES

Objectives and policies

The overall objective of the Alliance is the "Propagation of the Gospel of Jesus Christ". Each and every activity included in these financial statements represents our present endeavours to that end. Some of the means set out for the achievement of these objects are the training and sending out of Ministers and Evangelists, the establishment of Churches, the issue of Christian publications and operating of community and social programs.

Public benefit

The trustees have considered the Charity Commission's guidance on public benefit and have reviewed the charity's activities to ensure that they provide benefit to the public. In shaping our objectives for the year and planning our activities, the trustees always ensure that the programmes we undertake are in line with our main objective.

Constitution and legal status

The constitution of Elim Foursquare Gospel Alliance ("the Alliance") was established by a Deed Poll registered on 10 April 1934, as amended by Deeds of Variation dated 14 January 1942 and 12 September 2007 and a Deed disclosing the Irish Constitution in 1942. The Alliance is a registered charity in England and Wales (charity registration number 251549) and in Scotland (SCO37754)

Branches, connected trusts and subsidiary companies

The following entities are connected with Elim Foursquare Gospel Alliance.

Name	Country of Incorporation	Relationship	Address	Activity
Elim Church Incorporated	England & Wales	Common Directors	Elim International Centre deWalden Rd West Malvern WR14 4DF	Act as an association of churches to promote the Christian religion.
Elim Trust Corporation	England & Wales	Common Directors / Trustee	Elim International Centre deWalden Rd West Malvern WR14 4DF	Elim Trust Corporation acts as a Property Trustee for Elim Foursquare Gospel Alliance.
Elim Pentecostal Alliance Council	Northern Ireland	Common Directors / Trustee	Elim Corporate Office 14 Charlestone Ave PORTADOWN N Ireland BT63 5ZF	Trustee for certain properties in Northern Ireland
EPC Services Limited	England & Wales	Wholly owned subsidiary	Elim International Centre deWalden Rd West Malvern WR14 4DF	Carries out any trading aspect of the Alliance in relation to insurance and conferences.

A list of addresses and contacts for local churches is available from the Registered Office of the Alliance, or from the Charity website at www.elim.org.uk. This list includes details of churches associated through the Elim Church Incorporated (see above table).

Local churches are branches set up to conduct the business of the main charity in fulfilling its objectives.

Investments / management of resources

Agreement has been reached with the main bankers to the effect that an allowance is made on the credit balances held in current accounts which is then applied towards subsidising bank charges levied on church accounts.

REPORT OF THE TRUSTEES

Reserves Policy

The Alliance continues to hold general reserves, of which a significant proportion relates to provision of fixed assets. The general reserves are maintained in order to provide for the future operations of the charity, in recognition of the fact that its income mainly comes from voluntary sources. The present level of Free Reserves would support the activity of the Alliance for approximately six months if no further income were to materialise. The Reserves as at the 30 September 2013 are detailed on the Balance Sheet on page 16.

Payment Policy

Payment to suppliers is generally made within the terms agreed on confirmation of order for goods or services.

Funding

The Trustees are satisfied that the charity's assets attributable to each of its individual funds are available and adequate to fulfil its obligations in relation to those funds. While individual activities are generally constructed so as to be self-funding the Trustees reserve the right to allocate finance from general unrestricted funds where this is felt to be essential or beneficial towards the fulfilment of our objectives.

Communication and Involvement of Members

The Alliance has continued its practice of maintaining communication to churches and their ministers and officers, on matters affecting them in fulfilment of their roles, and financial and statutory factors impacting the Movement as a charity.

Direction Magazine continues to serve as a general news vehicle to the members and the general public.

A monthly circular, "NETWORK" contains updates on issues of charity administration, including statutory developments, employment issues, etc. This despatch also includes communications from various other Christian organisations with whom we network. A database of email details is also maintained which facilitates correspondence on more pressing issues.

The Conference Agenda includes annual reports from Alliance officers and departments together with the Financial Statements and copies are supplied to all ministers and church lay representatives. Members of Conference, individually or on behalf of their church, are able to add items to the agenda or raise comment on others, for discussion during the Conference sessions.

Our central website www.elim.org.uk is continually updated. All the central departments publish their own site, as do most of our churches throughout the UK.

An online advice service ElimNET is maintained which focuses on administrative information and guidance for church leaders and officers, covering a wide range of topics including taxation, Health and Safety, and Gift Aid procedures. Much of the information is available for download in PDF format. The national ministry departments also use the site to disseminate resources and communicate policy.

The General Superintendent publishes regular separate podcasts to ministers, church elders, and members.

Annual reviews on administrative matters are issued to treasurers and church administrators.

The Alliance has 10 Regions across the UK. Each is supervised by a Regional Leader / Superintendent, and has a co-ordinating committee made up from ministers and individuals from churches in that region. These regions have established their own local communications programs.

The activities of the Alliance would be impossible without the willing and generous participation of its members and friends. It would be impossible to number those involved, but research has shown that at least 60% of members will be directly involved in regularly sharing responsibilities in the activities of the

REPORT OF THE TRUSTEES

Church. We would place on record our wholehearted appreciation for this ongoing support and look forward with our members to enjoying the fruit of their labours.

GOVERNANCE

Conference: The legislative body is the Conference, which meets at least annually and is comprised of a Representative and a Ministerial Session. The Representative Session consists of all ministers, and lay representatives appointed by the Churches. The Ministerial Session, which consists of ministers only, deals with all ministerial and pastoral subjects. All other matters, including the making of General Rules and Working Arrangements, are exclusively within the province of the Representative Session.

National Leadership Team: The National Leadership Team (NLT) is appointed from among members of the Conference. The General Superintendent is nominated by the NLT of the day and submitted to Conference for a confirmatory vote. The individual so appointed serves for four years but is eligible for re-election. The General Superintendent nominates the members of the NLT on a rotational basis and these nominees are again subject to a confirmatory vote of the Conference, and successful candidates serve for four years. All the Ministers, and Lay Representatives from each Church, have votes in the election, which is conducted by postal ballot. Members of this team serve as trustees of the Alliance and meet at least five times per annum and are responsible for ensuring that procedures and working arrangements of the Constitution are applied in the activities of the Alliance and in the course of administration of the affairs of the Alliance.

Officers and Committees are also appointed to help the smooth running of the various Departments.

Management Board: This body is constituted by Conference and consists of the three members of the National Leadership Team, the Administrator, the Finance Director and up to three Lay appointments which are approved by the National Leadership Team. The Board is responsible for supervision and monitoring the management and application of the charity's assets, and also operates as the Audit Committee for the Alliance. The Lay representatives on the board also serve as the **Salary Committee** for the Charity.

Regions: These are comprised of groups of churches. A Regional Leader supervises two regions, with the support in each of a regional co-ordinator and regional committee. The Committee consists of the Regional Co-ordinator, four co-optees and four members appointed from within the region.

Church Leadership Teams: Responsible for the administration and management of the local Churches, general purposes, finances and personnel. Capital projects and expenditure require the approval of the NLT / Management Board. Appointments to the Church Session and appointments of church officers are governed by the local Church Constitution.

Trustees / Directors

The Elim Trust Corporation, a company limited by guarantee, was legally constituted to serve as a trustee for the Alliance in matters of property and business. A few properties are still held in trust for the Alliance by local trustees under the terms of a Model Trust Deed, and a further few properties are held under the auspices of the Elim Pentecostal Alliance Council. Most of these properties have been transferred under the auspices of the Elim Trust Corporation, and the process will continue for the remainder.

The members of the National Leadership Team listed on page 1 and the Finance Director are the directors and served throughout the year unless a termination of office or appointment date has been reported. The Administrator serves as Company Secretary.

Following discussions with the Charity commissioners and since the constitutional changes confirmed by conference in prior years the members of the NLT are also now effectively trustees of the Alliance.

REPORT OF THE TRUSTEES

Disabled employees

Applications for employment by disabled persons are given full and fair consideration for all vacancies in accordance with their particular aptitudes and abilities. In the event of employees becoming disabled, every effort is made to retrain them in order that their employment with the charity may continue. It is the policy of the charity that training, career development and promotion opportunities should be available to all employees.

Risk Management

The Alliance has historically been very pro-active in risk management. Current policies are regularly reviewed by the NLT and Management Board. A Compliance Officer serves under the Finance Director and the Administrator, in identifying and assessing areas of risk and formulating necessary controls and procedures.

The main procedures adopted by the Alliance include:

- Committee structure with regular meetings.
- Detailed terms of reference for each committee, together with formal agendas and minutes of all meetings.
- Accountability of all national officers and lines of reporting clearly established.
- Formal written policies and operational requirements and developing database monitoring compliance.
- Retaining third party consultants in particularly sensitive areas such as Human Resources and Child Protection etc.
- Regular update training for trustees and officers.
- Budget and management accounting and regular finance reporting
- Strong internal controls
- Subscription to relevant journals, literature and regular "watchdog" reports from various advisors
- The development of a website resource to keep local church ministers and administrators informed and updated .
- The provision of charity specific insurance policies covering not only fixed assets of the Alliance but also major public and employment liabilities.

The trustees recognise that the scope of our ministry and activity brings considerable responsibility and take seriously the need to ensure that the testimony of the Alliance is maintained at a high level and are satisfied that the major risks have been identified and the relevant processes are in place to manage those risks as far as humanly possible.

Grant Policy

No donations were made to political organisations. Grants to external bodies are only made to those organisations and activities, which are compatible with our charitable objectives. Grants to individuals are in keeping with the parameters of the relevant fund and restricted to those participating in ministry within the Alliance activities, or to alleviate poverty or hardship circumstances. Other national or central funds have been established from which grants are made to Elim churches towards the furtherance or maintenance of their activities.

Policy on funding of overseas activities

The Alliance maintains support for ministry and community projects overseas, both through its central International Missions department and from local church resources. Many of the mission fields have now been developed and established with local indigenous government, operating under the statutory requirements of their national laws and regulations. The administration and application of the funds has therefore been placed in the hands of national leaders. Funding made available to other charities in respect of relief work etc is donated as restricted funds to the receiving charity. Such receiving charities are vetted by the International Missions Department and subject to approval by the National Leadership

REPORT OF THE TRUSTEES

Team. Payments can only be made to subsequently approved organisations and individuals. All funds to third parties overseas are processed through the offices of the International Missions.

Subsidiaries

EPC Services Ltd has traditionally operated to serve our needs in areas of commercial activity particularly Insurance, and conferences. The company also provides consultancy on property development and architectural services for the churches of the Alliance.

Review of performance for the year

Fuller reports of the performance from the perspective of the Alliance officers and leaders of national departments are submitted separately in the annual Report to Conference, and those reports should be regarded as integral to these statements.

Due diligence and good stewardship continue to be the order of the day. The accounts again reflect a steady performance overall. The Alliance has maintained its level of operation and ministry in the continuing unsettled economic climate. Having launched preparations for our centennial celebrations in 2015 we also initiated a review of our protocols and procedures, with a view to ensuring that our modus operandi will provide a sound platform for expansion and quality of service into the next century for Elim.

The Alliance continues to enjoy strong support from our main bankers, Lloyds/TSB and RBS. During the financial year we implemented a debt reduction strategy primarily based on sales of surplus fixed assets. Reviews of bank facilities are already under way to restructure existing revolving credit facilities on to an amortised arrangement. At the time of writing considerable progress has been made on this and process will be completed by the end of the financial year 2014. New church projects requiring funding support will be provided by facilities from the banks details of which will be released as they are finalised.

We are delighted to be able to report that in the past year over 20 capital projects have been undertaken at a cost of approximately £3.8m (2012; £8.43m). All the funding has been financed directly from Elim funds, namely Elim Loans Administration and local church funds. This does not include the cost of major maintenance programmes that would have been paid through local church accounts and is equivalent to over £2.5m of expenditure each year.

Readers will note that the property assets are included at 1998 valuation and cost on additions since then. Recent extensive valuation exercises indicate a conservative potential current value of £265m against disclosed Balance Sheet amount of £188m. Though we do not process revaluation assessments through the accounts and we continue to apply the annual depreciation charge, it should be noted that considerable sums are expended annually on maintenance and refurbishment of Alliance properties - £2.97m in the current year. Early in the year we exchanged on the sale of almost 50% of the former College premises at Nantwich with the builder taking possession in early September 2013. At the end of October 2013 the proceeds were applied against the bridging loan provided for the acquisition of our central premises in Malvern.

Revenue performance of the various activities are summarised in notes 1 to 4 (Income) and notes 5 to 8 (Expenditure).

Excluding the adjustments for FRS17 in respect of Pension Fund the results by way of **net incoming resources** increased to £5.45m from £4.13m in 2012 (increase of 32%). This includes profit from the sale of various properties in line with our strategy for reduction of existing long term liabilities. **Total incoming resources** rose to £66.5m from the previous year returns of £62.3m an increase of 6.8%.

Our core income from **Gifts and Offerings** actually increased by 3%. Once again our members and friends have demonstrated their faithfulness and commitment by maintaining their support at this level.

Ancillary programs stayed strong through 2013, maintaining income levels of just over £17.8m (2012 : £17.4m). Churches still service the practical needs of their communities, not only by making their buildings more accessible but also continuing to provide extensive care programs. Nursery programs have been sustained in face of severe problems from reducing government subsidies but also delays in

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payments due from local authorities. The statements reflect a considerable increase this year in **Seminars and Conferences** organised by local churches : £2.4m (£2012: £1.66m)

Overall **expenditure** increased to £61m from £58m in 2012,(5%). This increase reflects an increase in ministry activity as well as the inevitable increase in certain aspects of underlying costs.

		Central Funds 2013	Churches 2013	Total 2013	% change	Total 2012
6b Summary by Costs						
Personnel costs	8	5,566,700	19,203,398	24,770,098	2.16%	24,246,538
UK Events and ministry programs		1,270,137	7,685,154	8,955,291	11.06%	8,063,120
UK ancillary and community programs	6c	578,815	3,570,257	4,149,072	16.46%	3,562,554
Overseas ministry		1,371,063	116,298	1,487,361	-6.89%	1,597,425
Training and development		10,740	288,854	299,594	-3.04%	308,977
Literature and material		7,866	293,799	301,665	28.82%	234,181
Premises costs		597,137	8,378,728	8,975,865	23.40%	7,273,510
Utilities costs		439,520	1,792,658	2,232,178	15.18%	1,938,024
Equipment costs		264,130	988,114	1,252,244	-48.30%	2,422,169
Office and administration costs		247,274	1,848,884	2,096,158	17.36%	1,786,063
Grants Made	6d	316,714	1,037,874	1,354,588	7.23%	1,263,242
		10,670,096	45,204,018	55,874,114		52,695,803

Once again Elim ministry teams and their local leaderships have demonstrated their enthusiasm for the task as reflected in the increased commitment for both **ministry (11%) and community programs (16.5%)**

Included in **Premises costs** above are the costs of maintaining church properties including depreciation at £5.9m. The balance is mainly rental for hired premises.

As ever Utility costs continue to increase which represents a growing concern for many churches. It is now evident that the policy to charge churches for Water Rates is a major impact on funds. We should be alert to the current changes in local council attitudes to relief for general rates / council tax on church premises.

Though these statements reflect the performance of the Alliance on a corporate basis we are very mindful that they constitute a consolidation of the activities of individual churches and ministries together with those of Central Funds. Each activity has to deal with its own peculiar situation and local spiritual and economic climate. The consistency of the corporate performance therefore reflects the positive and active commitment at every level to the fulfilment of the Biblical charity objectives of the Elim Foursquare Gospel Alliance.

In the year ahead we have identified the following goals:

- TBCA - The Big Centenary Ask – Following the launch of the fund in 2013 funds will be applied to materialise initiatives to plant churches and expand evangelistic programmes.
- Expand involvement by churches in community programs by way of demonstration of the Gospel of Jesus Christ.
- To maintain successful management and marketing strategies implemented in the activities of Regents Theological College to see further consolidation following a very successful year.
- To develop individuals for all aspects of ministry and church leadership.
- Serious4God will review their ministry under the guidance of new leadership
- International Missions will embark on a launch of new fields of operation and placements of new missionary personnel. Paul Hudson has initiated a review of core concepts and strategy
- To expand the training and awareness program for church finance officers. To review resources available to assist churches in presentation of finance reports and fundraising.
- To implement processes relative to local church finance reporting to bring forward the date of submission of charity returns by two months.
- Continue to develop the admin website, ElimNET, providing church officers with immediate access to resources and guidance and facilitate compliance reporting. To expand the online provision of resources for ministry leaders.
- To expand the Property Development program assisting churches to manage property resources and the process for capital projects.

REPORT OF THE TRUSTEES

- To review existing funding arrangements to ensure sustainability of ministry programs and to meet the demands of growth.

Above all we seek to ensure that the primary objective of spreading the Gospel of Jesus Christ remains our first concern and major motivation, and that all ministries and projects are encouraged in fulfilling the "Great Commission".

Trustees' responsibilities for the financial statements

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

The Charities Act 2011 and the Charities and Trustees Investment (Scotland) Act 2005 require the trustees to prepare financial statements for each financial year. The trustees have to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and the group and of the incoming resources, and application of resources, including the income and expenditure, of the group for that period. This is achieved through the role of the National Leadership Team.

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 accounting 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 group will continue in operation.

The Trustees are responsible for keeping adequate accounting records which are sufficient to show and explain the charity's and group's transactions and disclose with reasonable accuracy at any time the financial position of the charity and the group and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charities and Trustees Investments (Scotland) Act 2005 and the Charity (Accounts and Reports) Regulations and the Constitution of the Alliance. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the National Leadership Team have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors

Grant Thornton UK LLP offer themselves for reappointment as auditors.

Signed by order of the National Leadership Team

30. July 2014.



INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ELIM FOURSQUARE GOSPEL ALLIANCE

We have audited the financial statements of ELIM Foursquare Gospel Alliance for the year ended 30 September 2013 which comprise the accounting policies, the consolidated statement of financial activities, consolidated and charity balance sheet, consolidated 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).

This report is made solely to the charity's trustees, as a body, in accordance with Section 154 of the Charities Act 2011 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charity's trustees 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 9, the trustees are responsible for the preparation of the financial statements which give a true and fair view.

We have been appointed as auditor under sections 151 of the Charities Act 2011 and 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under those Acts. 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.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 30 September 2013 and of the group's 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 Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient and proper accounting records have not been kept by the parent charity; or
- the parent charity's financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Cardiff

Grant Thornton UK LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

ACCOUNTING POLICIES

BASIS OF PREPARATION

These financial statements have been prepared in accordance with the Constitution of the Alliance, applicable accounting standards, and recommendations in the Statement of Recommended Practice: Accounting by Charities (the SORP), except as noted below.

They have been prepared under the historical cost convention except that certain freehold properties are shown at their previously revalued amounts.

The principal accounting policies of the Alliance are set out below, and have not changed from the previous year.

The financial statements represent the consolidated performance and position of the charity. The results for the trading subsidiaries are not significant in the context of the group, and any breakdown beyond that provided in note 3 to the accounts would not bring additional benefit to readers of the statements. Financial statements for the subsidiaries have been prepared, audited and submitted to the relevant statutory bodies. The charity has taken advantage of the provisions of paragraph 397 of the SORP and has not presented a separate Statement of Financial Activities for the charity.

BASIS OF CONSOLIDATION

The group financial statements consolidate those of the charity and its subsidiary undertakings drawn up to 30 September 2013. All intra-Alliance transactions and profits are eliminated on consolidation, unless indicative of an underlying impairment.

The results of the charity's charitable trading income have been incorporated on the basis of the summary income and summary expenditure.

The results of the local churches have been incorporated on a line by line basis.

Funds administered by overseas activities have been excluded in accordance with current policy.

BRANCHES

The financial statements of the charity incorporate those of all funds and branches which are governed by the terms of the Constitution of the Alliance. Branch returns and accounts have been prepared, and either examined or audited in accordance with the turnover limits provided by the Charities Act, by independent examiner and auditor.

INCOMING RESOURCES

Donations and gifts

All monetary donations and gifts are included in full in the statement of financial activities when receivable. There are no donor-imposed restrictions as to the timing of the related expenditure.

Legacies are included when certain and the value can be measured with sufficient reliability.

Gifts-in-kind are accounted for at the trustees' estimate of value to the charity or sale value as follows:

- assets received for distribution by the Alliance are recognised only when distributed
- assets received for resale are recognised, where practicable, when receivable or otherwise when sold
- gifts of fixed assets for charity use, or funds for acquiring fixed assets for charity use are accounted for (as restricted funds), immediately on receipt.

ACCOUNTING POLICIES

Voluntary help is not included as income.

Cash collected to which the charity is legally entitled but which has not been received at the year end is included as income.

Donations under Gift Aid are credited as income when the donations are received. The associated income tax recoveries are also included on confirmation of the amount reclaimable by Her Majesty's Customs and Revenue.

All income on trading activities is the total amount receivable by the Alliance in the ordinary course of business for goods supplied and for services provided, excluding VAT. All income is recognised when the services are performed.

Contributions re Capital projects

Donations and gifts designated to major building renovation and refurbishment programs are included on receipt and treated as restricted funds until applied for their specific purpose.

Grants receivable

Revenue grants are credited as incoming resources when they are receivable provided conditions for receipts have been complied with, unless they relate to a specified future period, in which case they are deferred.

Grants for the purchase of fixed assets are credited to restricted incoming resources when receivable. Depreciation on the fixed assets purchased with such grants is charged against the restricted fund.

Investment income

Investment income is recognised when receivable.

RESOURCES EXPENDED

Expenditure which is charged on an accruals basis is allocated between:

- expenditure incurred directly to the fulfilment of the charity's objectives (direct charitable), including management and administration
- expenditure incurred directly in the effort to raise voluntary contributions (fundraising and publicity)
- Refurbishment or renovation costs on properties valued in October 1998 are not capitalised but included in as expenditure on the Statement of Financial Activities
- The purchase of properties overseas from funds provided by the International Missions Board is included in the statements under restricted funds expenditure and not as tangible fixed assets, except where held on behalf of the Board by the Elim Trust Corporation.

ACCOUNTING POLICIES

FUND ACCOUNTING

Restricted funds are applied for specified purposes laid down by the donor. The restriction on these funds is fulfilled on application to their specific purpose, and the expenditure for those purposes is charged to the fund. On Elim Relief Association 10% of income is allocated to the International Missions Fund in respect of overheads and support costs.

Unrestricted funds are donations and other incoming resources received or generated for expenditure on the general objectives of the charity.

Designated funds are unrestricted funds which have been designated for specific purposes by the Trustees.

TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost or valuation, net of depreciation. No depreciation is charged during the year of acquisition, or period of construction. Under the transitional arrangements of Financial Reporting Standard 15: Tangible Fixed Assets, the Alliance will treat the revalued amount as the base cost and will not update the book value with subsequent valuations.

Website development costs are written off as incurred to the Statement of Financial Activities and not capitalised due to there being insufficient evidence on which to base reasonable estimates of the economic benefits that will be generated in the period or into the future.

Depreciation is calculated to write down the cost or valuation, less estimated residual value, of all tangible fixed assets held for charity use other than freehold land, by equal annual instalments over their expected useful lives. The periods generally applicable are:

Freehold properties	1% from June 1999 on valuation, or on cost incurred since that date
Leasehold properties	Period of lease
Plant and machinery	4 years
Fixtures and fittings	10 years

In accordance with FRS15 "Tangible Fixed Assets", assets in the course of construction are not depreciated. Depreciation will occur when assets in the course of construction are ready for use, being when the physical construction is complete.

STOCKS

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

FOREIGN CURRENCIES

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Exchange differences are dealt with in the statement of financial activities.

ACCOUNTING POLICIES

BORROWINGS

Bank borrowings are stated net of issue costs. All attributable issue costs are amortised over the term of the loan.

Bank borrowings are secured by charges on certain properties of the Alliance as disclosed in note 15.

The borrowings are included within long term loans except for the element that is due within 12 months which is separately disclosed on the face of the Balance Sheet.

CONTRIBUTIONS TO PENSION FUNDS

Defined Benefit Scheme

The pension costs charged in the year are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the statement of financial activities once the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs. Actuarial gains and losses are recognised immediately in the general fund through other gains and losses.

Defined benefit schemes are funded, with the assets of the scheme held separately from those of the charity, in separate trustee administered funds. Pension scheme assets are measured at fair values and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The resulting defined benefit asset or liability is presented separately after other net assets on the face of the balance sheet.

ELIM FOURSQUARE GOSPEL ALLIANCE
FINANCIAL STATEMENTS YEAR ENDED 30 SEPTEMBER 2013

CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2013

	Note	Unrestricted Funds 2013	Restricted Funds 2013	Total Funds 2013	Total Funds 2012
		£	£	£	£
Fixed Assets					
Tangible fixed assets	9	188,274,362		188,274,362	187,936,422
Long term loans advanced	12	1,128,546		1,128,546	1,338,015
		<u>189,402,908</u>	<u>-</u>	<u>189,402,908</u>	<u>189,274,437</u>
Current Assets					
Stocks	10	52,286		52,286	57,607
Debtors	11	5,472,822		5,472,822	1,382,793
Cash at bank and in hand	13	9,147,488	414,147	9,561,635	10,046,858
		<u>14,672,596</u>	<u>414,147</u>	<u>15,086,743</u>	<u>11,487,258</u>
Current Liabilities					
Creditors	14	1,280,158		1,280,158	1,163,242
Current portion on long term loans	15	400,000		400,000	400,000
		<u>1,680,158</u>	<u>-</u>	<u>1,680,158</u>	<u>1,563,242</u>
Net current assets		<u>12,992,438</u>	<u>414,147</u>	<u>13,406,585</u>	<u>9,924,017</u>
Total assets less current liabilities		<u>202,395,346</u>	<u>414,147</u>	<u>202,809,493</u>	<u>199,198,454</u>
Long term loans received and other liabilities	15	60,026,684		60,026,684	61,866,908
Pension obligations		12,958,000		12,958,000	13,427,000
Net assets including pension liability		<u>129,410,662</u>	<u>414,147</u>	<u>129,824,809</u>	<u>123,904,545</u>
Reserves					
General free reserves		27,478,984		27,478,984	24,732,981
General property reserves	17	114,889,678		114,889,678	112,242,514
Restricted funds	16		414,147	414,147	356,050
Pension Reserve	-	12,958,000		-12,958,000	- 13,427,000
		<u>129,410,662</u>	<u>414,147</u>	<u>129,824,809</u>	<u>123,904,545</u>

These financial statements were approved by the National Leadership Team on
and signed on its behalf by

Trustee and member of National Leadership Team

30. July 2014.

The accounting policies on pages 11 to 14 and the notes on pages 19 to 29 form part of these financial statements.

CHARITY BALANCE SHEET AS AT 30 SEPTEMBER 2013

	Note	Unrestricted Funds 2013 £	Restricted Funds 2013 £	Total Funds 2013 £	Total Funds 2012 £
Fixed Assets					
Tangible fixed assets	9	188,270,762		188,270,762	187,936,422
Long term loans advanced	12	1,128,546		1,128,546	1,338,015
		<u>189,399,308</u>	<u>-</u>	<u>189,399,308</u>	<u>189,274,437</u>
Current Assets					
Stocks	10	52,287		52,287	57,607
Debtors	11	5,747,639		5,747,639	1,119,406
Cash at bank and in hand		9,005,654	414,147	9,419,801	9,951,168
		<u>14,805,580</u>	<u>414,147</u>	<u>15,219,727</u>	<u>11,128,181</u>
Current Liabilities					
Creditors	14	1,461,585		1,461,585	852,355
Current portion on long term loans	15	400,000		400,000	400,000
		<u>1,861,585</u>	<u>-</u>	<u>1,861,585</u>	<u>1,252,355</u>
Net current assets		<u>12,943,995</u>	<u>414,147</u>	<u>13,358,142</u>	<u>9,875,826</u>
Total assets less current liabilities		<u>202,343,303</u>	<u>414,147</u>	<u>202,757,450</u>	<u>199,150,263</u>
Long term loans received and other liabilities	15	60,026,684		60,026,684	61,866,908
Pension obligations		12,958,000		12,958,000	13,427,000
Net assets including pension liability		<u>129,358,619</u>	<u>414,147</u>	<u>129,772,766</u>	<u>123,856,355</u>
Reserves					
General free reserves		27,430,541		27,430,541	24,684,791
General property reserves		114,886,078		114,886,078	112,242,514
Restricted funds	16		414,147	414,147	356,050
Pension Reserve	-	12,958,000		-12,958,000	- 13,427,000
		<u>129,358,619</u>	<u>414,147</u>	<u>129,772,766</u>	<u>123,856,355</u>

These financial statements were approved by the National Leadership Team on
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Trustee and member of National Leadership Team

30 July 2014.

The accounting policies on pages 11 to 14 and the notes on pages 19 to 29 form part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT

	Note	2013	2013	2012	2012
Net cash inflow from operating activities			3,566,739		5,701,008
Capital expenditure and financial investment					
Purchase of tangible fixed assets	-	3,740,917		9,207,421	
Sale of tangible fixed assets		1,529,179		1,567,300	
Repayments of loans made				-	
Net cash outflow on capital expenditure			<u>-2,211,738</u>	<u>-</u>	<u>7,640,121</u>
			1,355,001	-	1,939,113
Financing					
Decrease in borrowing			-1,840,224		1,308,123
Decrease in cash			<u>-485,223</u>	<u>-</u>	<u>630,990</u>

Reconciliation of changes in resources to net cash inflow/outflow from operating activities

	2013	2012
Net Incoming resources	5,489,264	4,138,663
Depreciation	1,528,286	1,263,714
Profit on sale of tangible fixed assets	-3,005,488	-327,300
Impairment of fixed asset investment	0	0
(Increase)/decrease in stock	5,321	18,596
(Increase)/decrease in debtors	-529,560	2,173,340
Decrease in creditors	116,916	-1,792,006
Adjustments in pension costs	-38,000	226,000
Net cash inflow from operating activities	<u>3,566,739</u>	<u>5,701,008</u>

Analysis of changes in cash in the year	1 October 2012	Cash flows	30 September 2013
Cash in hand, at bank	10,046,858	-485,223	9,561,635
	<u>10,046,858</u>	<u>-485,223</u>	<u>9,561,635</u>

Reconciliation of net cash flow to movement in net debt

	2013
Decrease in cash in the year	-485,223
Cash outflow from financing	<u>1,840,224</u>
Movement in net debt	1,355,001
Net debt at 1 October 2012	<u>-52,220,050</u>
Net debt at 30 September 2013	<u>-50,865,049</u>

Analysis of net debt	1 October 2012	Movement	30 September 2013
Long term loans received	-61,866,908	1,840,224	- 60,026,684
Long term loans received repayable within one year	-400,000	-	- 400,000
	<u>-62,266,908</u>	<u>1,840,224</u>	<u>- 60,426,684</u>
Cash in hand, at bank	10,046,858	-485,223	9,561,635
	<u>-52,220,050</u>	<u>1,355,001</u>	<u>- 50,865,049</u>

NOTES TO THE FINANCIAL STATEMENTS

	Central Funds 2013	Churches 2013	Total 2013	Total 2012
	£	£	£	£
1. 'Activities for generating income				
1. Voluntary Income				
General Gifts and Offerings	885,124	19,205,365	20,090,489	19,576,476
Gift Aid donations and tax rebate	433,150	18,835,703	19,268,853	18,836,337
Designated gifts and offerings	306,747	2,156,142	2,462,889	2,304,626
Legacies	100,037	176,049	276,086	579,016
Grants received	304,449	1,380,621	1,685,070	1,424,840
Other donations	287,975	-	287,975	481,470
	2,317,482	41,753,880	44,071,362	43,202,765

1a. Grants received

Grants received from external sources during the year to 30 September 2013 and for the year to 30 September 2012, are included under income. We welcome and appreciate the support from the various grant makers and while the individual amounts are of considerable import to the relevant individual activity, the number involved renders it impracticable to list donors in detail. Branches report in more detail and we will schedule the more material grants received.

	Central Funds 2013	Churches 2013	Total 2013	Total 2012
2. Income from ancillary programs				
Hire of premises	190,479	2,238,521	2,429,000	2,845,726
Church Seminars etc	193,042	2,233,362	2,426,404	1,663,132
Ministry and Skills training	97,795	1,960,491	2,058,286	1,569,425
Community Programs	153,606	-	153,606	971,681
Childcare programs	-	5,187,611	5,187,611	5,321,921
Nursing Homes	-	2,930,548	2,930,548	2,780,533
Other ancillary activities	302,433	2,285,630	2,588,063	2,216,171
	937,355	16,836,163	17,773,518	17,368,589

	Central Funds 2013	Churches 2013	Total 2013	Total 2012
3. Income from charitable activities				
Coffee shops	-	463,791	463,791	463,974
Bookrooms	-	186,676	186,676	314,498
Charity shops	-	500,628	500,628	269,806
Sundry Activities	231,142	-	231,142	76,376
Interest Received	21,214	265,311	286,525	268,957
	252,356	1,416,406	1,668,762	1,393,611

	Central Funds 2013	Churches 2013	Total 2013	Total 2012
4. Other Income resources				
Profit on sale of assets	3,005,488	0	3,005,488	327,300
	3,005,488	0	3,005,488	327,300
Total incoming resources	6,512,681	60,006,449	66,519,130	62,292,265

NOTES TO THE FINANCIAL STATEMENTS

		Central Funds 2013	Churches 2013	Total 2013	Total 2012
5. Costs of generating Income					
Promotion and publicity		59,604	184,280	243,884	284,907
Interest paid		2,383,081	-	2,383,081	2,226,591
Bank Charges		363,125	-	363,125	258,662
Taxation		-	-	-	-
Coffee shops		-	324,177	324,177	309,645
Bookrooms		92,671	102,156	194,827	341,065
Charity shops		-	184,379	184,379	-
		2,898,481	794,992	3,693,473	3,420,870
6. Charitable Activities Expenditure					
		Central Funds 2013	Churches 2013	Total 2013	Total 2012
6a. Summary by Activity					
General church activity and ministry costs		4,580,349	38,281,201	42,861,550	40,220,428
Evangelistic events and programs		119,645	796,992	916,637	846,219
Youth events and programs		302,660	1,401,396	1,704,056	1,599,113
Overseas Missions		2,622,569	116,298	2,738,867	2,609,227
Training		2,149,344	-	2,149,344	2,595,021
Grants Made	6d	316,714	1,037,874	1,354,588	1,263,242
Ancillary Programs	6c	578,815	3,570,257	4,149,072	3,562,554
		10,670,096	45,204,018	55,874,114	52,695,803
6b Summary by Costs					
		Central Funds 2013	Churches 2013	Total 2013	Total 2012
Personnel costs	8	5,566,700	19,203,398	24,770,098	24,246,538
UK Events and ministry programs		1,270,137	7,685,154	8,955,291	8,063,120
UK ancillary and community programs	6c	578,815	3,570,257	4,149,072	3,562,554
Overseas ministry		1,371,063	116,298	1,487,361	1,597,425
Training and development		10,740	288,854	299,594	308,977
Literature and material		7,866	293,799	301,665	234,181
Premises costs		597,137	8,378,728	8,975,865	7,273,510
Utilities costs		439,520	1,792,658	2,232,178	1,938,024
Equipment costs		264,130	988,114	1,252,244	2,422,169
Office and administration costs		247,274	1,848,884	2,096,158	1,786,063
Grants Made	6d	316,714	1,037,874	1,354,588	1,263,242
		10,670,096	45,204,018	55,874,114	52,695,803

NOTES TO THE FINANCIAL STATEMENTS

	Central Funds 2013	Churches 2013	Total 2013	Total 2012
6c Expenditure re Ancillary Programs	6a			
Church Seminars etc	64,783	410,142	474,925	308,554
Ministry and Skills training	217,719	-	217,719	200,417
Childcare programs	-	2,792,032	2,792,032	2,521,096
Community Programs	-	368,083	368,083	255,835
Nursing Homes	296,313	-	296,313	276,652
	578,815	3,570,257	4,149,072	3,562,554

	Central Funds 2013	Churches 2013	Total 2013	Total 2012
6d. Grants Made	6a			
Individuals	263,971	495,806	759,777	577,951
Other ministries and institutions	52,418	272,568	324,986	366,674
Other charities	325	269,500	269,825	318,617
	316,714	1,037,874	1,354,588	1,263,242

Grants to other ministries and charities were mainly made by Churches. While specific details of each grant have not been collated but it is known that over 100 churches made such payments. The trustees are satisfied that churches are adequately advised as to the parameters relative to the making of grants and that any misapplication would not have created any material misrepresentation in the financial statements.

	Central Funds 2013	Churches 2013	Total 2013	Total 2012
7. Governance costs				
Principal auditor fee	104,593	-	104,593	100,773
Other accountants fees	-	116,564	116,564	174,938
Legal and advisory fees	313,944	398,725	712,669	1,042,954
Trustee and management committees	26,029	2,424	28,453	18,264
	444,566	517,713	962,279	1,336,929

NOTES TO THE FINANCIAL STATEMENTS

8. EMPLOYEES	Central Funds 2013	Churches 2013	Total 2013	Total 2012
STAFF COSTS DURING THE YEAR WERE AS FOLLOWS:				
Wages and salaries - ministry	5,144,657	18,015,989	23,160,646	22,409,895
Wages and salaries - administration	-	62,052	62,052	54,481
Social security costs	-	453,126	453,126	401,145
Other pension costs	405,175	611,086	1,016,261	1,433,905
Private health insurance	16,868	61,145	78,013	72,989
	<u>5,566,700</u>	<u>19,203,398</u>	<u>24,770,098</u>	<u>24,372,415</u>

	Number 2013
Church and ministry staff	654
Youth Ministry	68
Administration	239
Care - Nursing and childcare	429
Community Programs	155
Premises maintenance	143
	<u>1,688</u>

	Number 2013	Number 2012
£40,001 to £50,000	35	32
£50,001 to £60,000	6	6
£60,001 to £70,000	5	5
Over £70,000	6	4

Trustees	2013	2012
Remuneration re offices held	<u>716,854</u>	<u>680,733</u>
Disbursement of expenses in fulfilment of duties	<u>164,548</u>	<u>102,557</u>

As required by the Constitution of the Alliance all members of the National Leadership Team (the Trustees) are serving ministers of the Alliance. During the year all members with the exception of Stuart Blount, who was serving in an ECI church, received remuneration commensurate with thier ministerial or executive role. The total amount including pension contributions was £716,854.

No other payment was made during the year to persons related to a trustee other than those due under contracts of employment. In the period to September 2013 the number employed was 0 (2012: 0)

NOTES TO THE FINANCIAL STATEMENTS

9. Tangible Fixed Assets

Group	Freehold property & leasehold improvements	Assets in the course of Construction	Fixtures, fittings & equipment	Total
Cost as at 30 September 2012	196,331,855	80,000	3,984,045	200,395,900
Additions	3,694,692		46,225	3,740,917
Disposals	- 2,049,867			-2,049,867
Cost as at 30 September 2013	197,976,680	80,000	4,030,270	202,086,950
Accumulated depreciation as at 30 September 2012	10,007,456	-	2,452,022	12,459,478
Charge in the year	1,484,584	-	43,702	1,528,286
Depreciation on disposals	- 175,176	-	-	-175,176
Accumulated depreciation as at 30 September 2013	11,316,864	-	2,495,724	13,812,588
Net book value at 30 September 2013	186,659,816	80,000	1,534,546	188,274,362
Net book value at 30 September 2012	186,324,399	80,000	1,532,023	187,936,422

9. Tangible Fixed Assets

Charity	Freehold property & leasehold improvements	Assets in the course of Construction	Fixtures, fittings & equipment	Total
Cost as at 30 September 2012	196,331,855	80,000	3,984,045	200,395,900
Additions	3,694,692		42,625	3,737,317
Disposals	- 2,049,867			-2,049,867
Cost as at 30 September 2013	197,976,680	80,000	4,026,670	202,083,350
Accumulated depreciation as at 30 September 2012	10,007,456	-	2,452,022	12,459,478
Charge in the year	1,484,584	-	43,702	1,528,286
Depreciation on disposals	- 175,176		-	175,176
Accumulated depreciation as at 30 September 2013	11,316,864	-	2,495,724	13,812,588
Net book value at 30 September 2013	186,659,816	80,000	1,530,946	188,270,762
Net book value at 30 September 2012	186,324,399	80,000	1,532,023	187,936,422

On 31 October 1998, the freehold property in England, Scotland, Wales and the Channel Islands was revalued by Messrs GVA Grimley (RICS). The basis of the valuation used was depreciated replacement cost for the specialised properties, existing use value assuming vacant possession for non-specialised properties and open market value assuming vacant possession for properties, which are surplus to requirements. This valuation was included in the 1998 financial statements and the surplus arising transferred to the general reserve.

NOTES TO THE FINANCIAL STATEMENTS

	Central Funds 2013	Churches 2013	Total 2013	Total 2012
10. STOCKS				
Group and Charity				
Goods for resale	-	-	-	30,326
Office stock	52,286	-	52,286	27,281
	<u>52,286</u>	<u>-</u>	<u>52,286</u>	<u>57,607</u>

Goods for resale are held by local church and Bible College bookrooms

	Central Funds 2013	Churches 2013	Total 2013	Total 2012
11. DEBTORS				
Group				
Trade Debtors	581,352	-68,226	513,126	1,026,318
Prepayments	-	-	-	-
Other debtors	3,866,114	1,093,582	4,959,696	356,475
	<u>4,447,466</u>	<u>1,025,356</u>	<u>5,472,822</u>	<u>1,382,793</u>

Charity				
Trade Debtors	562,683	-68,226	494,457	454,824
Intercompany	-	293,485	293,485	308,107
Other debtors	3,351,000	1,608,697	4,959,697	356,475
	<u>3,913,683</u>	<u>1,833,956</u>	<u>5,747,639</u>	<u>1,119,406</u>

	Central Funds 2013	Churches 2013	Total 2013	Total 2012
12. LONG TERM LOANS ADVANCED				
Group and Charity				
Advances to individuals	109,120	-	109,120	207,188
Sundry advances less provisions	1,019,426	-	1,019,426	1,130,827
	<u>1,128,546</u>	<u>-</u>	<u>1,128,546</u>	<u>1,338,015</u>

a. Includes advances to 2 officers of the Alliance secured against house property and repayable by date of sale £32,669 (2012: £29,000) No individual loan exceeds £30,000.

Other advances are repayable over a maximum period of 15 years and bear interest at 1% over prevailing cost of funds.

	Unrestricted Funds 2013	Restricted Funds 2013	Total Funds 2013	Total Funds 2012
13. CASH AT BANK AND IN HAND				
Net balance held in local church accounts	10,740,926	-	10,740,926	12,697,568
Central Funds	-	414,147	-1,179,291	-
	<u>9,147,488</u>	<u>414,147</u>	<u>9,561,635</u>	<u>10,046,858</u>

NOTES TO THE FINANCIAL STATEMENTS

14. CREDITORS Group	Central Funds 2013	Churches 2013	Total 2013	Total 2012
Trade creditors	375,702	496,927	872,629	634,150
Social security and other taxes	90,840	102,744	193,584	194,708
Other creditors and accruals	200,957	12,988	213,945	334,384
	667,499	612,659	1,280,158	1,163,242

Charity	Central Funds 2013	Churches 2013	Total 2013	Total 2012
Trade creditors	375,702	496,927	872,629	323,263
Social security and other taxes	90,840	102,744	193,584	194,708
Other creditors and accruals	164,342	12,988	177,330	334,384
Intercompany	218,042	-	218,042	-
	848,926	612,659	1,461,585	852,355

15. LONG TERM LOANS RECEIVED	Central Funds 2013	Churches 2013	Total 2013	Total 2012
Unsecured liabilities:-				
Amounts due to other trusts	1,376,757	-	1,376,757	1,265,803
Amounts due to individuals	-	424,539	424,539	240,474
	1,376,757	424,539	1,801,296	1,506,277
Secured liabilities:-				
Bank loans	58,625,388	-	58,625,388	60,760,631
Bank loan portion payable within one year	-	400,000	-400,000	-
Total Long Term Loans	59,602,145	424,539	60,026,684	61,866,908

Bank loan projected repayments				
Within one year			400,000	400,000
After one and within two years			5,000,000	5,000,000
After two and within five years			7,000,000	7,000,000
After five years			47,626,684	49,466,908
			60,026,684	61,866,908

Bank loans are secured by charges on certain properties of the Alliance.

Interest is charged at LIBOR related rates.

£6 million is structured as a fixed rate facility.

The balance is governed by roll-over arrangements with Lloyds/TSB and RBS/NatWest.

NOTES TO THE FINANCIAL STATEMENTS

16. MOVEMENT ON RESTRICTED FUNDS

Group and charity

	CHURCH RESTRICTED FUNDS	ELIM RELIEF ASSOC. FUND	TOTAL RESTRICTED FUNDS £	TOTAL RESTRICTED FUNDS £
At 1 October 2012	201,097	154,953	356,050	314,158
Incoming resources	2,114,076	26,980	2,141,056	2,317,121
Expenditure	2,036,438	46,521	2,082,959	2,275,229
At 30 September 2013	278,735	135,412	414,147	356,050

Churches hold various funds as a result of specific donations, which are awaiting the relevant allocation. The major portion of these funds are church building funds.

Elim Relief Association is a fund from which to provide relief overseas through humanitarian and development programs.

17. MOVEMENT ON DESIGNATED FUNDS

The Group

	REGENTS COLLEGE FUNDS	CAPITAL ASSETS FUND	TOTAL DESIGNATED FUNDS	TOTAL DESIGNATED FUNDS
At 1 October 2012	-	112,242,514	112,242,514	107,420,617
Incoming resources	-	-	-	-
Expenditure	-	-	-	-
Transfers	-	2,647,164	2,647,164	4,821,897
At 30 September 2013	-	114,889,678	114,889,678	112,242,514

Local church leaderships have set aside monies from unrestricted funds for various specific purposes

The balance on the College funds has now been full expended

Capital Assets funds represents the accumulation of contributions applied to, held for, the acquisition of property used in pursuit of our charity objectives.

NOTES TO THE FINANCIAL STATEMENTS

18. CONTINGENT LIABILITIES

There are no contingent liabilities (2012 : £nil)

19. CAPITAL COMMITMENTS

The Alliance has no major capital commitments other than for church building projects contracted as at 30 September 2013. The residual contract balance is approximately £1.4 million.

20. POST BALANCE SHEET EVENTS

The Alliance has agreed to commit charges over property to the value of £6.5 million by way of securing future liabilities

21. PENSIONS

The charity operates a defined benefit occupational pension scheme, the Elim Ministers' Pension Fund to provide retirement benefits for its current and previous employees. A full actuarial valuation was carried out as at 31 December 2010.

The total employer contributions during the year to 31 December 2013 amounted to £1,620,000 (2012: £1,573,000)

Contributions to the scheme for the year ending 31 December 2014 are expected to be £1,620,000.

The scheme is funded by payment of contributions from the Alliance to a trustee administered fund (members are not required to contribute).

Benefits were built up in the scheme during the year on a 'final salary' basis, whereby the associated pension benefits are calculated with reference to a member's Final Pensionable Salary at the time they leave service or retire.

Principal Assumptions

The ELIM Ministers Pension Fund prepares its accounts to 31 December each year. As a result the valuation of the pension fund is performed at that date rather than the year end date of the charity. The Trustees are satisfied that there would be no material difference on the valuation of the scheme between the Charity and Pension fund year end dates.

Employee benefit obligations

	<u>31/12/2013</u>	<u>31/12/2012</u>
	£	£
Present value of funded obligations	41,964,000	39,522,000
Fair value of scheme assets	(29,006,000)	(26,095,000)
Deficit	<u><u>12,958,000</u></u>	<u><u>13,427,000</u></u>

ELIM FOURSQUARE GOSPEL ALLIANCE
FINANCIAL STATEMENTS YEAR ENDED 30 SEPTEMBER 2013

NOTES TO THE FINANCIAL STATEMENTS

The amounts recognised in the statement of financial activities are as follows:

	31/12/2013	31/12/2012
	£	£
Current service cost	1,082,000	1,099,000
Interest cost	1,727,000	1,807,000
Expected return on scheme assets	(1,227,000)	(1,107,000)
Total	1,582,000	1,799,000
Actual return on scheme assets	2,871,000	1,520,000

FRS 17 costs	500,000	700,000
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Changes in present value of obligation

	31/12/2013	31/12/2012
	£	£
Opening defined benefit obligation	39,522,000	35,744,000
Current service cost	1,082,000	1,099,000
Interest cost	1,727,000	1,807,000
Actuarial gains	1,213,000	2,614,000
Group life policy premiums	-	-
Benefits paid	(1,580,000)	(1,742,000)
Closing defined benefit obligation	41,964,000	39,522,000

Scheme assets

	31/12/2013	31/12/2012
	£	£
Opening fair value of scheme assets	26,095,000	24,744,000
Expected return on scheme assets	1,227,000	1,107,000
Actuarial gains / (losses)	1,644,000	413,000
Employer contributions	1,620,000	1,573,000
Benefits paid	(1,580,000)	(1,742,000)
Closing fair value of scheme assets	29,006,000	26,095,000

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	31/12/2013	31/12/2012
Equities	56.6%	51.0%
Property	28.6%	31.7%
Bonds	5.0%	8.1%
Cash and net current assets	9.8%	9.2%
	100.0%	100.0%

NOTES TO THE FINANCIAL STATEMENTS

Expected return on scheme assets	31/12/2013	31/12/2012
Equities	7.10%	5.85%
Property	6.30%	4.60%
Gilts	3.70%	2.60%
Corporate Bonds	4.30%	4.15%
Cash / Other	0.50%	0.50%

Actuarial assumptions	31/12/2013	31/12/2012
Discount rate	4.50%	4.40%
Expected return on scheme assets		
Price inflation	2.30%	1.70%
Future salary increases	2.05%	1.65%
Future pension increases		
Index-linked maximum 5.0%pa, minimum 0%pa	2.30%	1.75%
Index-linked maximum 2.5%pa, minimum 0%pa	1.85%	1.50%
Allowance for future discretionary increases	0%	0%

Assumed life expectancies on retirement at age 65 are:	31/12/2013	31/12/2012
Males retiring immediately	87.2	87.2
Females retiring immediately	89.2	89.5
Males retiring in 20 years time	88.6	88.5
Females retiring in 20 years time	90.7	91.1

Historical disclosures

	31/12/2013	31/12/2012	31/12/2011	31/12/2010
	£	£	£	£
Defined benefit obligation	(41,964,000)	(39,522,000)	(35,744,000)	(34,081,000)
Scheme assets	29,006,000	26,095,000	24,744,000	24,748,000
Deficit	(12,958,000)	(13,427,000)	(11,000,000)	(9,333,000)
Experience adjustments on liabilities	-221,000	2,268,000	0	807,000
Experience adjustments on assets	1,644,000	413,000	(1,640,000)	723,000

	31/12/2013	31/12/2012
	£	£
Cumulative amount of actuarial gains and losses recognised in the Statement of changes in Equity	(1,713,000)	(2,144,000)