

Company No. 123448
Charity No. 212325 England and Wales
Charity No. SC040576 Scotland

The Evangelical Alliance

Annual Report and Financial Statements

31 March 2016

The Evangelical Alliance

Reference & Administrative Details

For the year ended 31 March 2016

Status	The organisation, originally formed in 1846, is a charitable company limited by guarantee, incorporated on 26 July 1912 and registered as a charity on 19 December 1962.
Company Number	123448
Charity Number (England and Wales)	212325
Charity Number (Scotland)	SCO40576
Registered Office and Operational Address	176 Copenhagen Street London N1 0ST
Chair of Board of Trustees	Rev Mike Talbot to 17 March 2016 Dr Tani Omideyi from 17 March 2016
Chair of Council	Rev John Glass
General Director	Mr Stephen Clifford
Company Secretary	Miss Helen Calder
Honorary Treasurer	Mr Peter Jeffrey
Trustees	Mr Stephen Cave Mrs Tracy Cotterell Rev John Coyne Mr Derek Crookes (retired 24 September 2015) Rev John Glass (chair of council) Rev Dr Steve Holmes Mr Peter Jeffrey (honorary treasurer) Dr Tani Omideyi Mrs Rachel Phillips Mr Julian Richards Mrs Arlene Small Rev Mike Talbot (resigned 17 March 2016) Mrs Ruth Walker Miss Rachel Westcott
Leadership Team	Miss Helen Calder Rev Gavin Calver Mr Stephen Clifford Rev Fred Drummond Rev Elfed Godding Dr David Landrum Mr Peter Lynas Mrs Chine McDonald

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For the year ended 31 March 2016

Bankers	National Westminster Bank plc 290 Walworth Road London SE17 3RQ
	CCLA Investment Management Ltd St Alphage House 2 Fore Street London EC2Y 5AQ
Solicitors	Anthony Collins Solicitors LLP 134 Edmund Street Birmingham B3 2ES
Auditors	Mazars LLP Chartered Accountants Statutory Auditors Times House Throwley Way Sutton Surrey SM1 4JQ

The Evangelical Alliance

Report of the General Director

For the year ended 31 March 2016

This was the year that saw the Evangelical Alliance enter our 170th year. We believe our mission remains the same as our predecessors' when they launched the Alliance in 1846: unifying the evangelical Church and presenting a united voice in public life. In John 17 – the final prayer of Jesus – Christ prays: "I in them and you in me—so that they may be brought to complete unity. Then the world will know that you sent me and have loved them even as you have loved me." We believe that the unity Jesus prayed for is reflected in the Church coming together, setting aside denominational differences, and working together for the gospel. But this is not now, and nor has it ever been, unity for unity's sake. This is about us coming together as one so that the world might believe in Jesus.

This year we reinforced our commitment to evangelism and mission with the appointment of our new director of mission, Gavin Calver. I'm so excited to see the development of our new web portal which will engage Christians in how to draw others to the faith. As passionate, evangelical Christians we consider that the best thing for everyone is that they come to know Jesus.

We are committed to being a voice of hope and representing our evangelical Christian constituency to media, government and society as a whole. This year we have seen this demonstrated through a number of key media appearances – particularly in our Northern Ireland office with our national director Peter Lynas becoming the go-to person on matters of faith and public life.

Our advocacy team and public policy officers across England, Northern Ireland, Scotland and Wales continued to strengthen relationships between those in the corridors of power, representing the evangelical Christian voice on issues as diverse as extremism, education, gambling, religious liberty, climate change and British values.

One of the highlights for me this year was attending the launch of our One People Commission's report into 20s and 30s entitled *Building Tomorrow's Church*. This took place on board HMS President on the Thames in London. I cannot remember having been at a more diverse gathering, in terms of ethnicity, age and gender. This was an amazing image of what the Church can look like when barriers are broken down.

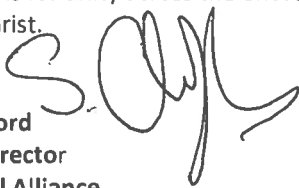
During the year we finalised proposals for a new style Evangelical Alliance Council which were approved at our annual general meeting on 24 September 2015. As part of this exercise new articles of association were approved. The new style council will be appointed on 21 September 2016. Our intention is that council will become even more effective as guardians of the Alliance's vision and values as well as acting as ambassadors for the Alliance across the UK. I want to express huge appreciation to the 28 retiring council members who have served the Alliance so well and will be stepping down in September. I also want to thank the 43 who will be continuing into the new era. The new council includes representation from church leaders, member organisations and key influencers who reflect ethnic, gender and age targets, as well as the full national, regional and denominational spectrum of our constituency

The following report gives you a flavour of the projects, programmes and campaigns that we've been involved in over the past year and just how we are making a difference. But there is so much more to come: we have ambitious dreams. Thank you for taking the time to read this. I hope you'll be inspired by all that has gone on at the Alliance in the past 12 months.

This has been another busy and exciting year, with key indicators that we are fulfilling our mission and purpose: for the Church to be united in mission, confident and effective in voice.

Our prayer is for unity across the Church with the aim of seeing lives and communities transformed with the good news of Jesus Christ.

Steve Clifford
General Director
Evangelical Alliance



The Evangelical Alliance

Report of the Board of Trustees

For the year ended 31 March 2016

The Board presents its annual report and audited financial statements for the year ended 31 March 2016. The financial statements comply with current statutory requirements, with the requirements of the Evangelical Alliance's governing document, the new Articles of Association (approved on 24 September 2015) and the Statement of Recommended Practice for Accounting and Reporting by Charities (2016). The Evangelical Alliance is referred to throughout the report and the financial statements as the Alliance.

Aims and objectives

The Evangelical Alliance's purposes as set out in the doctrinal basis and principles contained in the charity's Articles of Association are to advance the evangelical Christian faith in all parts of the world by such means being charitable as the Alliance may determine.

Our mission is to bring evangelical Christians together, strengthen their voice and inspire them for mission. We aim to do this by:

- Uniting Christians locally, nationally and globally in our shared mission to make Jesus known
- Speaking with confidence to government and the media to present God's truth with grace
- Following Jesus and serving the Church – working together to see our lives and communities changed

How our work delivers our aims

Activities are reflected in the Statement of Financial Activities and in this report in the following ways:

- Advocacy – providing a Christian voice in government and the media through various initiatives, including working with parliamentarians, campaigning, resourcing and equipping the Church and our members to be active citizens; as well as engaging proactively with the secular media
- Unity and Mission– bringing evangelical Christians together for mission by equipping, challenging and inspiring the Church to speak with confidence and boldness about their faith in Jesus. Also fostering a sense of community and taking part in programmes and projects alongside other Christian organisations
- Media and membership – celebrating, informing and resourcing our members through a range of regular two-way communications, including *idea* magazine, e-communications, social media and other regular publications
- Fundraising – working with supporters, members, donors and key supporters committed to our goals to raise financial resources to enable the Alliance to meet its aims and objectives

How our activities deliver public benefit

The Trustees confirm they have referred to the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and when planning future activities.

We believe the Christian faith we profess – and which underpins everything we do – is for the common good of every member of society. We therefore believe the Alliance fulfils the public benefit test required of charities. Some of the work we do is of specific benefit to our individual supporters, church and organisation members. We are, however, an outward-looking organisation. We are committed to the transformation of all people in society for good. So we work hard to make sure the benefits we work for are not exclusive to our members or to evangelical Christians alone.

As Trustees of the Evangelical Alliance we firmly believe that following Christ changes lives for the better. But we accept the right of individuals to have, and to express, differing beliefs or no belief. A central part of the Christian faith is the desire to see justice for all – regardless of age, race, gender, class or religion.

During the year the Alliance continued to work for the good of society through our ongoing programmes, which are outlined in more detail below.

The Evangelical Alliance

Report of the Board of Trustees

For the year ended 31 March 2016

Achievements and performance

Performance is reported using the Statement of Financial Activities (SOFA) headings for charitable activities. This report gives a taster of the activities that the Alliance has undertaken over the 12 months to March 2016. Although it gives a flavour of our most significant programmes and campaigns, it does not intend to be a comprehensive report of all the activities the charity undertakes. Additional information can be found on our website at www.eauk.org.

Advocacy

One of our main aims is to be the voice of evangelical Christians to the government and in public life. Our advocacy team across England, Northern Ireland, Scotland and Wales continued to work tirelessly with politicians in parliament and the national assemblies to present Christ credibly in society, and also to encourage our members to play an active role in the places in which they live.

The nature of work means that much of the activity that the Alliance's Advocacy team undertake goes on behind the scenes in the corridors of power. Our aim is to build positive, honest relationships and provide calm and reasoned input into the political process rather than shout from the side-lines. The Alliance is uniquely placed to not merely relate government policy to churches, but also to help government take into account the voice of UK Christians when drawing up legislation. In addition to the work going on behind closed doors, the Alliance has a number of advocacy campaigns and initiatives that have taken place during the reporting year.

This year our public policy work has been focused around the government's Counter-Extremism Strategy, seeking to ensure that religious freedoms are preserved as measures to tackle Islamic extremism are introduced. Alongside consulting with civil servants, this has resulted in briefing and working closely with politicians from across the parties to support parliamentary questions and debates. It has also meant working with a broad range of Christian organisations and campaign groups who share similar concerns. In relation to concerns about freedom of religion and belief, the Alliance has engaged in extensive media work around the related issue of Out of Schools Settings.

As we continue to encourage an evangelical perspective in plural society, our director of advocacy participated in a series of discussions about the role of faith in public life convened by the Equality and Human Rights Commission. He has also spoken about secularism at an international religious liberty conference, and spoken at an international conference about the role of the Church in producing the Magna Carta. Our head of public policy speaks regularly to numerous church groups about religious liberty issues in the UK.

During 2015 the Alliance played a key role in a wide coalition campaign Care Not Killing against proposals to introduce assisted suicide. Among other activities, this involved the use of a new web tool to help members and supporters contact their MP. The proposal was comfortably defeated in the House of Commons. We have also continued to contribute to discussions and consultations relating to the regulation of gambling and, following the passage into law of the Modern Slavery Act, we continue to be involved on a limited basis on the implementation of the Act. Alongside this work we have been successful in partnering to establish a public policy roundtable to draw a number of key Christian campaign groups and think-tanks together to share information and build coalitions.

Our advocacy team produced an education resource entitled *You Are Not Alone*. This 24-page printed booklet and accompanying website is a resource to inform parents and teachers of their rights and responsibilities regarding the education of their children. 44,500 copies were distributed nationally via our *idea* magazine and through large networks and at events.

Following our extensive work to develop resources and events to encourage the Church to engage with the general election, much has also been done through the year to prepare to resource the UK Church to engage with the EU referendum debate from a biblical perspective. This included holding a series of consultations with missionary networks and academics.

Our research club continued to be used to survey evangelical attitudes and beliefs across a range of issues such as: British values, poverty, ethical consumerism and inter-generational justice. This research is now presented in our *idea* magazine rather than in separate reports to obtain much wider circulation.

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During this year the advocacy team has also been developing: a public policy library of positions and perspectives on a range of key issues; a national resource to inform Christians of the legal freedoms to proselytise in partnership with Lawyers' Christian Fellowship; a course to help church leaders to deal pastorally with sexuality issues with Living Out and a new theological framework for evangelicals to engage with other faiths/religions.

In Scotland, the Alliance helped a number of churches host very well attended general election hustings. As part of Care Not Killing we helped successfully defeat the Assisted Dying Bill by 82 votes to 36. Working with Abolition Scotland (partners: CARE, International Justice Mission and Glasgow House of Prayer) we worked to strengthen the Human Trafficking Bill which was ultimately passed unanimously. In partnership with Bethany Christian Trust, Redeeming Our Communities, CARE and Cinnamon Network, Serve Scotland was launched in November 2015. There are now pilot groups in Glasgow and Dundee with discussions ongoing in the Highlands and Edinburgh. The launch itself attracted widespread media coverage across Scotland.

The voice and reach of Evangelical Alliance Northern Ireland grew again this year, continuing its sterling work of representing the Christian voice to the media and government. The Alliance has campaigned against abortion and same-sex marriage. We provided a clear, articulate and credible voice to national and local media and also engaged with our local MLAs offering help with these issues. We ran three events for the public, church leaders and Christian organisational leaders featuring academics and experts on sexuality issues with Living Out. The Alliance continues to be a strong voice for religious freedom in Northern Ireland and we have been one of the leading voices on the Asher's case and the Pastor McConnell case. We have helped to shape the narratives around these cases and the wider issues in the public square and in the Church in the province. We have also established an intern programme.

The Alliance in Wales is playing a leading role in Wales' refugee sector in responding to the current refugee crisis. The presence of the Alliance on the Cross-Party Group on Faith has enabled the building of good relations across religions in Wales, and our public policy officer has also been working to promote aspects of Wales' rich evangelical and non-conformist history to Welsh government and the Assembly. He also convened an excellent event at the Senedd to commemorate the centenary of Pentecostalism in Wales. Conferences were organised to help evangelical leaders to deal with issues such as mental health and dementia.

The Alliance is committed to seeing more evangelical Christians serve and lead in local communities and in national life. The first Public Leadership weekend gathering was held in July 2015 with 27 young public leaders participating. The first Public Leadership breakfast took place in September and a further two have since taken place. This brought together participants from law, finance and business. Further events and resources are now being produced to encourage the development of a culture of Public Leadership in the UK Church.

Alliance coverage in the press continued to be strong, having significantly increased our media coverage in recent years. This year the Alliance appeared in broadcast media 174 times and in print 387 times last year. We continued to have a voice in both Christian and mainstream media, through relationship-building and placing stories across the press to build the reputation of the Alliance and to ensure evangelical perspectives are represented in public debate.

Unity and Mission

January 2016 saw the Alliance enter its 170th year. Our formation in 1846 had the unity of evangelical Christians as its main aim. Our founders were inspired by Jesus's prayer in John 17 in the Bible that Christians might be one so that the world might believe. The driving force behind our unity is always mission. This is why our level one goals are for the Church to be more united in mission, and in turn more confident and effective in voice. Our unity is demonstrated through our membership base. We currently have more than 3,800 church members, as well as more than 620 organisations, plus thousands of individual members and supporters.

Our strapline is "better together" because of our belief that the Church is more effective in showing God's love and purposes to the world in which we live when we work together with a common purpose for the greater good.

In June 2015, Gavin Calver joined the Alliance as director of mission. A passionate evangelist with a heart to see people come to saving faith in Jesus Christ, Gavin joined after 14 years as national director of Youth for Christ. Gavin's

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For the year ended 31 March 2016

appointment was the natural progression in a renewed dedication to focus on mission across the organisation. The first major programme to come out of the new unity for mission team is the creation of a web portal aimed at inspiring a passion for evangelism in our communities - empowering our churches, and each individual Christian, to be talking about Jesus. The website will be a central hub connecting churches to a wide range of initiatives, tools, resources and stories to inspire and equip them to be talking about Jesus with those around them – showing God's love in words as well as deeds. The website is planned for launch in autumn 2016.

The Alliance's passion for unity has continued to be demonstrated at a local level through the work of our Gather network. Gather unites, equips and celebrates groups of Christians working together for the benefit of their towns and cities. Currently 114 local groups are linked to the Gather initiative.

This year, our One People Commission (OPC) – a body made up of key national leaders from ethnic minority churches across the UK – carried out a key piece of research into millennials – those in their 20s and 30s – in the Church. The findings of the research, entitled *Building Tomorrow's Church*, were presented at a launch event on board HMS President on the Thames, and gathered one of the most diverse audiences the Alliance has hosted. This was a tangible demonstration of the Commission's aim to break down the ethnic and cultural barriers that can exist between churches and church leaders by fostering relationship and inspiring commitment to working together regardless of ethnic background. Following the launch of the research, members of the Alliance have been visiting key areas to inform church leaders of the findings and also equip them in how to meet the challenge of making churches relevant to young adults.

The work of our South Asian Forum (SAF) also continued this year, working to unite the nation's 75,000 South Asian Christians. Following the SAF launch of *Discovering Jesus Through Asian Eyes* course – an eight-week course answering the 16 most commonly-asked questions by South Asians concerning the Christian faith - in April 2014, the team continued to run these training events. SAF also ran three Growing Healthy Churches events in London, Wolverhampton and Bolton. This brought together leaders to have open and honest discussions on how to be healthier, particularly in the area of unity and mission. This year, we set up the South Asian Forum Leaders network to continue the conversation on how the Asian Church can be better united and integrated in the work of the Alliance.

Unity underpins all of the work that we do in Evangelical Alliance. As a result, a lot of the work undertaken by our teams is done through coalitions – working in partnership with a number of other Christian organisations and agencies. Missional Links-Wales, for example, is seeing churches from the US and Wales collaborate for mission in Wales under the auspices of Evangelical Alliance. Meanwhile, the Cymru Institute for Contemporary Christianity (CICC) – the Alliance working with the Bible Society in Wales and the South Wales Baptist College - hosted an event on the *Economy of Wales*. The Net Cardiff is growing the content and scope of its monthly EA Wales e-news through which we communicate with around 1,000 leaders in Wales. Plans are underway to develop a section of the Net Cardiff Website to serve the whole of Wales.

Following last year's landmark independence referendum, the Alliance in Scotland continued to draw Christians together. Following publishing the popular resource *What Kind of Scotland?* in 2015, the Alliance's national director for Scotland Fred Drummond penned *What Kind of Church?* This included eight accompanying films that have been viewed thousands of times and shared on social media by many more across the UK and beyond. In January, we hosted Deep Impact – Evangelical Alliance Scotland's youth leaders' conference; attended by around 250 people.

The Alliance team in Northern Ireland partnered with 24/7 Northern Ireland and festival Summer Madness to unite for '100 Days of Prayer for 100 Years of History'. This was in recognition of 2016 being a year of centenaries – the Battle of the Somme and the Easter Rising. They encouraged churches to host a prayer room as part of the 100 days of continuous prayer, which began on 6 February. The initiative also saw the publishing of a specially-curated magazine that was received well across Northern Ireland.

These are merely a taster of some of the work the Alliance has been engaged in to promote unity. We work in 44 coalitions in England, Northern Ireland, Scotland and Wales including HOPE, Christian Enquiry Agency, Church Advertising Network, Cymru Institute for Contemporary Christianity, New Generation Leaders, Irish Council of Churches, Scottish Christian Youth Work Forum and more.

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For the year ended 31 March 2016

Media and membership

We continue to see an increase in the number of unique visitors to our website. We endeavour to provide news articles, features, interviews and resources to inspire, celebrate and challenge the UK Church for mission, unity and advocacy. We have increased our Facebook likes and have posted an increasing number of videos, including for our Public Leadership programme, spring appeals and end-of-year thank you to our members and supporters.

Our social media reach has increased, with the number of people following us on our main Twitter account @EAUknews up to 18,700 from 15,000 last year. This has brought us a significant number of impressions: the number of times the tweet has been delivered to someone's timeline. Between January and March 2016, we had one million impressions on Twitter. This was brought about mainly due to our Easter content and members of our staff attending the Spring Harvest event. Our social media presence is diverse, with a number of separate social media accounts for our various initiatives and programmes, including the One People Commission, *threads*, Public Leadership, Gather and *idea* magazine, as well as those of our national teams in Northern Ireland, Scotland and Wales.

Threads – our online collective of Christians in their 20s and 30s exploring faith and life – continued its success this year, once again winning Multi-Author Blog of the Year at the Premier Digital Awards for 2015. This is the third time the team has picked up an award at the event that celebrates excellence in Christian new media. As the popularity of *threads* continued so did the opportunities to work in partnership with a number of other organisations on editorial, strategy and events. Joint events were held with organisations including Tearfund's Rhythms, Greenbelt and New Horizons.

Threads was launched in August 2012 as a response to the decline in young Christians in the Church in general and the Alliance specifically. The site has had more than 300 contributors writing articles on it from a range of different perspectives and is rivalling the Alliance's main website in terms of web statistics. In May 2015, the team attended The Pursuit festival, which is supported by Spring Harvest. The Pursuit is based around a unique concept of everyone attending contributing beyond just turning up and exhibiting. The *threads* team hosted a 'Secret Doubt Garden' in which young people were encouraged to share questions they had about their faith. A number of people answered The Pursuit feedback questionnaire saying that this was a stand-out moment for them.

Over the past year, *threads* has run events on singleness, fostering and adoption and peace and conflict. We've run an event for International Women's Day and a hustings for the 2015 general election, at which representatives from the five major parties appeared. The latest project for *threads* is training church leaders to better reach the millennial generation, and 80 church leaders have so far been trained at our day-long events and through the resource packs created. Despite these first two training days being pilots, just under 80 per cent said they would 'definitely' recommend the day to a friend.

We have continued to resource members with a variety of e-communications: *Everything Advocacy*, *idea for leader* and *Friday Night Theology*, as well as *Headlines*, our regular member email which presents bite-sized news, resources and events to equip and inform members and our membership magazine *idea*. *REAP*, our monthly prayer email is sent to over 2,000 members and supporters.

Fundraising

The majority of donation income is from regular donations from personal, church and organisation members and supporters. This does not require direct fundraising activity. Fundraising and publicity generated income of £591,806 with a return on investment based on direct costs of 6.8. Advertising revenue was £134,987 giving a return on investment of 2.5.

A continuing focus on building relationships with trusts and key supporters yielded increased levels of income.

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Financial Review

The Statement of Financial Activities on page 15 shows net incoming resources of the combined unrestricted and restricted funds for the Group (incorporating the charity and the trading subsidiary, The Evangelical Alliance Developments Limited) at £42,053 compared with net incoming resources of £46,728 in the previous year.

Income

Total income for the Group amounted to £2,345,067 (last year: £2,370,937). 90 per cent of this was from donations. The slight reduction in total income is because the previous year included income (and expenditure) for Home for Good, which is now a separate charity. More fundraising is now undertaken for specific programmes within the core budget such as advocacy, public leadership, mission initiatives, gather and threads as well as programmes in Wales, Scotland and Northern Ireland. This is reported as restricted donations. An analysis is given in note 2 on page 20.

Expenditure

Total expenditure for the year was £2,303,197 (last year: £2,325,548). 90 per cent of expenditure related to charitable activities, with the balance of 10 per cent attributed to the cost of publicity and generating funds. A detailed analysis of expenditure is given in note 5 (page 21). Advocacy initiatives accounted for 27 per cent of expenditure, with unity initiatives amounting to 36 per cent and media and membership 27 per cent. The new charity accounting regulations mean that governance and support costs are allocated across the areas of activity.

Management Accounts are reviewed each month and distributed to the Finance Committee of the Board, ensuring that finances are regularly monitored. Updated forecasts are prepared quarterly.

Balance Sheet and Reserves

The balance sheet on page 16 shows that funds for the Group at 31 March 2016 totalled £2,915,397 (last year: £2,873,344) including net current assets of £690,308 (last year: £578,135) and general unrestricted funds of £372,554 (last year: £282,213).

The reserves policy was reviewed by the Finance Committee during the year and is unchanged with a reserves range between £300,000 and £400,000 as a result of a calculation taking into account a number of factors including the levels of monthly standing order income and monthly payroll costs. The policy states that the Board believes it is prudent to hold a cash reserve providing working capital to cover the seasonal fluctuations in its budget and to provide sufficient funds to cover the occurrence of genuine risks as identified in the risk register. Note 16 shows the free reserves at 31 March 2016 to be £372,554 which is an increase from the previous year figure of £282,213. This is the result of a number of factors which include transfers to the development fund and from the fixed asset fund, the latter as a result of depreciation being greater than capital expenditure. It is good that reserves are once again within the policy range. The current investment policy is to hold funds on interest bearing deposit accounts with banks.

Risk Assessment

The staff risk working group under the leadership of the executive director: finance and services has met once during the last year. It continued to identify and assess areas of potential risk to the organisation and the implementation of actions required to avoid risk. Risk management has become part of the organisational culture including in programme and event management. Staff are required to undertake practical risk assessments and mitigation for these and other activities. The focus over the last year has been on reputational risk. In March 2016 the board commenced a review of its risk appetite to ensure consistency amongst the board and with leadership team and staff. The board review of strategic, operational and reputational risks in 2014/15 identified the following as the primary risks to the organisation: potential reduction in membership and income, doctrinal differences and reputational risks. These are being mitigated by church and organisation membership recruitment campaigns, development of personal supporter streams, particularly those under 40, clear membership rules, regular media monitoring and active management of relationships based on our evangelical relationship commitments.

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Report of the Board of Trustees

For the year ended 31 March 2016

Structure & Governance

The Evangelical Alliance is a charity registered in England and Wales and in Scotland and a company limited by guarantee. The members of the Board of Trustees are also the Directors of the Company and so have the legal, financial and fiduciary responsibility for the governance of the company. The Board is elected by a Council of full members of the Alliance, 71 in number at 31 March 2016. The strategic policy of the Alliance is endorsed by this wider, representative Council of Members.

Governance including recruitment and induction of Trustees

The Alliance is governed by its new Articles of Association, approved in September 2015, which requires the Board to take responsibility for the business of the Alliance. The members who form the Board are shown on page one.

The Board is appointed by the Council of Members. Trustees are appointed for a three year term and may serve a maximum of three terms without a break in service. The Board may appoint a person who is willing to be a Board member, either to fill a vacancy or as an additional Board member, provided that the appointment does not cause the number of Board members to exceed the maximum number fixed by the Articles of Association. A Board member so appointed holds office only until the next General Meeting, whereupon he or she is eligible for re-election provided he or she has been elected to the Council of Members.

The Alliance's Articles of Association permits the Board to delegate any of its powers to committees consisting of such persons that the Board thinks suitable. There are currently committees comprising both Trustees and Council members who consider matters concerning the specialist areas of finance, leadership team remuneration, membership and nominations.

During the year a major review of the Council was completed and proposals were formally adopted in September 2015. The Council of Members are elected at a General Meeting and are intended to be representative of the evangelical community in the UK. Members of the Council are considered by a Nominations Committee. Consideration is given to the geographical location, gender, ethnicity, age and denominational background of members. Individuals hold office for four years and thereafter may be re-admitted for two further four-year terms. The Council of Members normally meets twice a year.

Inductions are held for new Trustees and Council members, covering topics such as responsibilities of the Board and its Trustees, legal framework, organisational structure, history, vision and mission, strategic plan, funding and interpretation of financial statements. All new Trustees receive a detailed governance manual.

Responsibilities of the Board

The Trustees (who are also directors of Evangelical Alliance for the purposes of company law) are responsible for preparing the report of the Trustees' and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102)
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees 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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Board met four times during the year including a 24 hour Board retreat in March 2016.

Organisational structure

The Board is responsible for appointing the leadership team of the Alliance who, overseen by the Board of Trustees, are responsible for agreeing, implementing and developing strategies, as well as motivating and developing staff.

The current leadership team are: Steve Clifford (general director), Helen Calder (executive director: finance and services), Dave Landrum (advocacy director), Elfed Godding (national director in Wales & coalitions), Fred Drummond (national director in Scotland & prayer) and Peter Lynas (national director in Northern Ireland), Chine McDonald (director of communications & membership), and Gavin Calver (director of mission/England).

Remuneration for the leadership team is agreed by the remuneration committee of the board with reference to the agreed pay principles for all staff.

During the reporting year, we began to create a succession plan ahead of the departure in September 2016 of Helen Calder, executive director finance and services and company secretary. She has given the organisation 17 years of dedicated service and through it the wider church across our nations. We are thankful to God for all she has brought to the Alliance over this period and wish to express our gratitude to her particularly for the way she has served the Board.

In addition to a gifted and committed staff team, we are especially grateful to 16 volunteers who contributed some 3,150 hours to the Alliance during the year.

The Alliance has a subsidiary trading company, The Evangelical Alliance Developments Limited, through which some aspects of the work of the Alliance are carried out. In appropriate circumstances this company transfers surpluses to the Alliance. Details are given in note 3 to the financial statements.

Membership of the Board

The Board would like to express its appreciation to Rev Mike Talbot, who ended his second and final term as chair of the Alliance board in March 2016. The board and leadership team would like to thank him for his wise and committed leadership of the board over the past eight years. He is succeeded by Dr Tani Omideyi who became the new chair of board following Rev Talbot's departure.

The Board would also like to thank Derek Crookes who left the Board in September after five terms. Derek has brought excellent advice from a business perspective and has served as chair of the membership committee and a member of the nominations committee and remains on the council until September 2017.

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Report of the Board of Trustees

For the year ended 31 March 2016

The Board would also like to thank Derek Crookes who left the Board in September after five terms. Derek has brought excellent advice from a business perspective and has served as chair of the membership committee and a member of the nominations committee and remains on the council until September 2017.

The Future

2016/17 is the third year of the 2014-2018 strategic plan. The level one goals being: the Church to be more united in mission (unity) and to be more confident and effective in voice (advocacy). These goals are outworked through various programmes which will include the public leadership programme and our advocacy work in Westminster, the Scottish parliament, Stormont in Northern Ireland and the Senedd in Wales. We will continue to encourage the unity for mission movements across England through Gather, and see the launch of the Great Commission web portal. Communication to our membership and the wider community remains a priority via our magazine (*idea*) with a circulation of over 24,000 alongside press releases, our website, publications and social media. Prayer continues as an important aspect of the Evangelical Alliance. We look forward to the arrival of Emrys Jones in September as finance and operations director. Our hope and prayer continues to be that all this will illustrate our strapline "Better Together".

Auditors

Mazars LLP were appointed as the charitable company's auditors during the year.

The report of the Trustees has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.



Tani Omideyi
Chair of Trustees
30 June 2016

Independent Auditor's Report to the Members of The Evangelical Alliance

We have audited the financial statements of Evangelical Alliance for the year ended 31 March 2016 which comprise the consolidated statement of financial activities, consolidated balance sheet, 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).

Respective responsibilities of trustees and auditors

As explained more fully in the Responsibilities of the Board set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors. This report is made solely to the charity's members as a body. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body for our audit work, for this report, or for the opinions we have formed.

Scope of the audit of the financial statements

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

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group and the charity's affairs as at 31 March 2016 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on the other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Alistair Fraser (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
Times House, Throwley Way, Sutton, Surrey, SM1 4JQ

Date: 18 August 2016

The Evangelical Alliance

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2016

	Note	Restricted £	Unrestricted £	2016 Total £	Restricted £	Unrestricted £	2015 Total (as restated) £
Income and endowments from:							
Donations and legacies							
Donations	2	429,685	1,659,357	2,089,042	355,086	1,667,553	2,022,639
Legacies		-	52,541	52,541	-	38,316	38,316
Other trading activities							
Serviced Desks		-	9,726	9,726	-	3,620	3,620
Advertising revenue		-	134,987	134,987	-	144,517	144,517
Income from investments							
Interest and dividends receivable		160	1,876	2,036	146	1,797	1,943
Income from charitable activities							
Advocacy Initiatives		-	2,090	2,090	-	15,742	15,742
Unity and Mission Initiatives		35,556	2,011	37,567	51,664	74,397	126,061
Media & Membership		3,736	8,922	12,658	11,320	2,013	13,333
Other income							
Other income		-	4,420	4,420	-	4,766	4,766
Total income and endowments		469,137	1,875,930	2,345,067	418,216	1,952,721	2,370,937
Expenditure on:							
Fundraising and publicity		-	173,963	173,963	-	161,894	161,894
Generation of advertising revenue		-	53,377	53,377	-	51,620	51,620
Charitable activities							
Advocacy Initiatives		93,139	518,594	611,733	67,062	527,445	594,507
Unity and Mission Initiatives		236,861	577,543	814,404	263,772	599,516	863,288
Media & Membership		77,467	545,951	623,418	-	642,600	642,600
Property & IT Projects		26,302	-	26,302	11,639	-	11,639
Total expenditure	5	433,769	1,869,428	2,303,197	342,473	1,983,075	2,325,548
Gains and Losses	12	-	183	183	-	1,339	1,339
Net income / (expenditure)	6	35,368	6,685	42,053	75,743	(29,015)	46,728
Transfers between funds	18	(10,257)	10,257	-	(3,750)	3,750	-
Net movements in funds		25,111	16,942	42,053	71,993	(25,265)	46,728
Funds at 1 April		239,505	2,633,839	2,873,344	167,512	2,659,104	2,826,616
Funds at 31 March		264,616	2,650,781	2,915,397	239,505	2,633,839	2,873,344

There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 18.

The Evangelical Alliance

Balance sheet

Company No. 123448

As at 31 March 2016

		The Group		The Alliance	
		2016	2015	2016	2015
	Note	£	£	£	£
Fixed assets					
Tangible fixed assets	11	2,213,392	2,283,695	2,213,392	2,283,695
Investments	12	11,697	11,514	11,699	11,516
		2,225,089	2,295,209	2,225,091	2,295,211
Current assets					
Stock		1,752	-	1,752	-
Debtors	14	110,181	100,281	94,181	88,651
Short term deposits	13	448,861	346,919	448,861	346,919
Cash at bank and in hand	13	316,253	306,360	311,878	297,357
		877,047	753,560	856,672	732,927
Liabilities					
Creditors: amounts falling due within one year	15	186,739	175,425	185,098	173,425
Net Current Assets		690,308	578,135	671,574	559,502
Net assets	16	2,915,397	2,873,344	2,896,665	2,854,713
Funds					
Restricted funds		264,616	239,505	264,616	239,505
Designated fixed asset funds		2,213,392	2,283,695	2,213,392	2,283,695
Designated fund - Non-Charitable Trading		18,732	18,631	-	-
Designated funds - Others		46,103	49,300	46,103	49,300
Unrestricted general funds		372,554	282,213	372,554	282,213
Total funds	18	2,915,397	2,873,344	2,896,665	2,854,713

Approved by the Board of Trustees on 30th June 2016 and signed on their behalf by


Peter Jeffrey, Treasurer

The Evangelical Alliance

Statement of Cash Flows

As at 31 March 2016

		2016	2015
	Note	£	£
Cash flow from operating activities	20	<u>126,298</u>	<u>148,100</u>
Net cash flow from operating activities		<u>126,298</u>	<u>148,100</u>
Cash flow from investing activities			
Purchase of property, plant and equipment		(16,499)	(35,804)
Interest received		<u>2,036</u>	<u>1,943</u>
Net cash used in investing activities		<u>(14,463)</u>	<u>(33,861)</u>
Net increase / (decrease) in cash and cash equivalents		111,835	114,239
Cash and cash equivalents at 1st April 2015		653,279	539,040
Cash and cash equivalents at 31st March 2016		<u><u>765,114</u></u>	<u><u>653,279</u></u>
Cash and cash equivalents consist of:			
Cash at bank and in hand	13	316,253	306,360
Short term deposits	13	448,861	346,919
Cash and cash equivalents at 31st March 2016		<u><u>765,114</u></u>	<u><u>653,279</u></u>

The Evangelical Alliance

Notes to the financial statements

For the year ended 31 March 2016

1. Accounting policies

a) General information and basis of preparation

Evangelical Alliance is a company limited by guarantee in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £5 per member of the charity. The address of the registered office is given in the charity information on page 3 of these financial statements. The nature of the charity's operations and principal activities are to unite churches and organisations in our shared mission to see a transformed society and to present a confident and effective evangelical voice to government and the media by presenting Christ as good news for spiritual, social and physical transformation.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include listed investments at fair value. There are no material uncertainties relating to the charity's ability to continue as a going concern. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated. The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

The charity adopted SORP (FRS 102) in the current year and an explanation of how transition to SORP (FRS 102) has affected the reported financial position and performance is given in note 19.

- b) Stock is valued at the lower of net realisable value and cost.
- c) The financial statements include the accounts of the national teams in Wales, Scotland and Northern Ireland. The group accounts consolidate the accounts of the charity and its subsidiary undertaking, The Evangelical Alliance Developments Limited. No income and expenditure account is presented for The Evangelical Alliance as provided by Section 408 of the Companies Act 2006. Consolidation has been undertaken on a line by line basis.
- d) Depreciation is calculated at rates and on bases to write off the cost, less estimated residual value, of fixed assets over their expected useful lives. Assets are depreciated as follows:

Interests in long leasehold buildings	- Over 50 years straight line
Office equipment (including computers)	- 25 per cent per annum (six month charge in year of purchase)

Items are only capitalised if their purchase price exceeds £500. All assets will be reviewed for impairment if circumstances indicate their recoverable value to be materially lower than their value disclosed in the accounts.

The Evangelical Alliance

Notes to the financial statements

For the year ended 31 March 2016

- e) Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable. Donated services are recognised as incoming resources where the provider of the service has incurred a financial cost, which is material. Volunteer time is not included in the financial statements, however volunteer time contributed approximately 3,150 hours during the year. Gifts in kind are valued at an estimate of their gross value to the Alliance.
- f) Legacy income is accounted for on a receivable basis. A legacy is considered receivable for the period only once there is entitlement, the amount can be measured reliably and it is probable that the legacy income will be received.
- g) Expenditure is allocated to the different categories in the statement of financial activities on a basis which reflects the day to day operations of the Group. Salary costs are allocated on a basis which reflects the responsibilities of the individual employees.
- h) Pension contributions are paid into an auto-enrolment compliant Group Personal Pension Plan with Aviva on behalf of all eligible employees who elect to have such a pension arrangement. This is an individual defined contribution arrangement. The Group's liability is limited to the employer's contributions. The amounts contributed are based on length of service and salary levels. All employees are eligible after three months of employment. The assets of the pension scheme are held in funds which are administered independently of the Group.
- i) Investments are held at mid market value at the balance sheet date. The gain or loss for the period is taken to the Statement of Financial Activities. All investments are mixed motive investments.
- j) Restricted funds are to be used for specific purposes laid down by the donor. Expenditure which meets these criteria is charged to the fund. Transfers from restricted funds represent charges by the charity for core budget staff or support, based on a reasonable percentage of restricted income received for the year. No further costs are allocated to restricted funds.
- k) Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity.
- l) Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.
- m) The cost of generating funds relates to the costs incurred by the charitable trading company in raising funds for the charitable work.
- n) Grants payable are charged to the Statement of Financial Activities in the year in which the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions are fulfilled.
- o) Governance costs include costs relating to the management of the charitable company's assets, organisational management and compliance with constitutional and statutory requirements.
- p) Resources expended include attributable VAT which cannot be recovered.

The Evangelical Alliance

Notes to the financial statements

For the year ended 31 March 2016

2. Donations

	Restricted	Unrestricted	2016 Total	2015 Total
	£	£	£	£
Individual donors	180,445	978,374	1,158,819	1,114,402
Income tax recoverable	6,511	152,223	158,734	164,305
Charitable trusts	150,760	61,450	212,210	244,450
Member churches	50,361	403,761	454,122	405,707
Member organisations	41,608	63,549	105,157	93,775
Total donations	<u>429,685</u>	<u>1,659,357</u>	<u>2,089,042</u>	<u>2,022,639</u>

3. Net income of trading subsidiary

The Alliance has a wholly owned trading subsidiary which is incorporated in England and Wales, Company Number 03181440. The Evangelical Alliance Developments Limited manages the production and distribution of publications and conducts trading activities for the Alliance.

A summary of trading results is shown below.

Audited accounts of The Evangelical Alliance Developments Limited will be filed with Companies House.

	2016 Total	2015 Total
	£	£
Turnover	265,080	281,048
Cost of sales	<u>(117,038)</u>	<u>(117,725)</u>
Gross profit	148,042	163,323
Administration	<u>(92,333)</u>	<u>(92,458)</u>
Net profit before distribution to the Alliance	<u>55,709</u>	<u>70,865</u>
Aggregate funds at 31 March 2016	<u>18,732</u>	<u>18,631</u>

During the year, the Evangelical Alliance Developments Limited made distributions to the charity (the Alliance) of £55,600 (2015: £78,710). At 31 March 2016, The Evangelical Alliance Developments Limited had aggregate assets of £20,946 (2015: £21,318) and aggregate liabilities of £2,212 (2015: £2,685).

The parent undertaking's gross income and the results for the year are disclosed as follows:

	2016 Total	2015 Total
	£	£
Gross income	2,355,450	2,394,820
Results for the year	<u>41,770</u>	<u>53,234</u>

4. Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in paragraph 1 schedule 6 Finance Act 2010 and meets the definition of a charitable company for UK tax purposes. In 2015/16 The Evangelical Alliance Developments Limited, a 100% owned trading subsidiary of The Evangelical Alliance, paid £8 in Corporation Tax (2014/15 £Nil).

The Evangelical Alliance

Notes to the financial statements

For the year ended 31 March 2016

5. Total expenditure

	Staff related costs	Property, equipment and office expenses	Membership materials and resources	Activities and programmes	Financial costs inc VAT	Grants made	2016 Subtotal	Allocated support costs	Allocated governance costs	2016 Total	2015 As Restated
	£	£	£	£	£	£	£	£	£	£	£
Cost of generating funds											
Fundraising and publicity	93,511	15	33,900	-	-	-	127,426	43,467	3,070	173,963	161,894
Generation of advertising revenue	39,098	-	-	-	-	-	39,098	13,337	942	53,377	51,620
Charitable activities											
Advocacy Initiatives	393,754	18,570	-	40,259	-	-	452,583	148,652	10,498	611,733	594,507
Unity and Mission Initiatives	458,101	13,740	25	124,440	-	43,850	640,156	162,754	11,494	814,404	863,288
Media & Membership	301,560	1,606	138,942	12,039	-	2,500	456,647	155,770	11,001	623,418	642,600
Support costs	313,123	180,700	-	-	30,157	-	523,980	(523,980)	-	-	-
Property & IT Projects	-	11,779	-	14,523	-	-	26,302	-	-	26,302	11,639
Governance	19,947	6,213	-	-	10,845	-	37,005	-	(37,005)	-	-
Total resources expended (2015/2016)	1,619,094	232,623	172,867	191,261	41,002	46,350	2,303,197	-	-	2,303,197	2,325,548
Total resources expended (2014/2015)	1,588,638	260,161	179,463	162,953	46,334	87,999	2,325,548	-	-	2,325,548	2,215,817

Staff related costs includes £101,128 (2015: £84,479) in respect of staff expenses, recruitment, welfare and training and £98,298 (2015: £84,861) in respect of amounts paid to contractors who are not employees of the Alliance.

Property, equipment and office expenses includes £86,802 (2015: £88,679) depreciation in respect of buildings and equipment of the Group.

Governance costs in the consolidated statement of financial activities includes the tax charge of £8 (2015: £Nil) relating to the liability in The Evangelical Alliance Developments Ltd

Support costs and governance costs, including the salary cost of staff with support responsibilities, have been allocated to other unrestricted expenditure headings on a pro rata of costs basis

The Evangelical Alliance

Notes to the financial statements

For the year ended 31 March 2016

6. Net incoming resources for the year

This is stated after charging:

	2016	2015
	£	£
Depreciation		
Owned assets	86,802	88,679
Trustee expenses	2,773	2,941
Trustee remuneration	Nil	Nil
Auditors' remuneration - audit fees	8,000	9,000
Auditors' remuneration - other fees	900	550
	<u>900</u>	<u>550</u>

During the year 10 members of the Board of Trustees received reimbursement for travel expenses (2015: 12).

There is a trustees' indemnity policy which is permitted by the Articles of Association of the Alliance.

7. Staff costs and numbers

Staff costs were as follows:

	2016	2015
	£	£
Salaries	1,225,612	1,223,046
Social security costs	104,854	107,991
Pension costs	84,005	83,154
Death in service benefits	5,197	5,107
Other staff related costs	101,128	84,479
Payments to contractors	98,298	84,861
	<u>1,619,094</u>	<u>1,588,638</u>

One employee earned between £60,000 and £65,000 during the year. (2015 - One)

The employer's pension contribution for staff earning over £60,000 was £5,719. (2015 - £4,880)

The trustees consider that the key management personnel of the charity are the eight members of the Leadership Team. The total employment costs for the Leadership Team was £429,370 (2015: £356,705).

The cost to the Group of providing pension and death in service benefits during the year ended 31 March 2016 was £89,202 (2015: £88,261). There was an accrual of £10,391 in respect of pension contributions at the year end (2015: £10,609).

The Evangelical Alliance

Notes to the financial statements

For the year ended 31 March 2016

7. Staff costs and numbers (continued)

The monthly average number of employees employed under contracts of service during the year was as follows:

	2016 Actual No.	2016 FTE No.	2015 Actual No.	2015 FTE No.
Fundraising and publicity	2.0	2.0	2.0	2.0
Generation of advertising revenue	1.0	1.0	1.0	1.0
Advocacy Initiatives	9.9	8.7	10.6	9.9
Unity and Mission Initiatives	13.9	8.4	13.6	8.2
Media & Membership	10.9	8.1	12.4	9.4
Support team	7.7	6.6	7.4	7.0
Governance	0.4	0.4	0.4	0.4
	<u>45.8</u>	<u>35.2</u>	<u>47.4</u>	<u>37.9</u>

8. Grants payable

During the year the Alliance made grants from unrestricted funds to 5 organisations with similar objects to its own. These organisations are not under the control of The Evangelical Alliance and they are each separately administered. The grants totalled £24,650 (2015: £72,249). Of these, £22,150 are included within unity initiatives unrestricted expenditure and £2,500 within Media & Membership unrestricted expenditure. A payment of £16,500 was made to the European Evangelical Alliance (EEA) and a grant of £5,400 was made to the World Evangelical Alliance. A grant of £250 was made to the Evangelical Alliance Ireland and a grant of £2,500 was made to the Churches Media Council.

Grants of £21,700 were made from restricted funds: All of these were made to Bible and theological colleges to support 18 UK lay ministers in training (2015: £15,750).

A further grant of £11,403 (2015: £9,278) was allocated to the South Asia Forum Restricted Fund. This is treated as a transfer between funds (note 18).

9. Related party transactions

The Group has taken advantage of the exemption which is conferred by FRS 102 Section 33 that allows it not to disclose transactions with the Group undertakings that are eliminated on consolidation.

Mr Julian Richards is on the Board of the Evangelical Alliance and also on the Executive Committee of the European Evangelical Alliance to which the EA gave a grant of £16,500 (2015: £16,500) - see note 8.

The Evangelical Alliance

Notes to the financial statements

For the year ended 31 March 2016

10. Working Arrangements

Where a working arrangement has a restricted fund, it is explained in Note 18.

The Evangelical Alliance has a working arrangement with Christian Vision for an online church finder tool to connect new Christians to a local church.

The Evangelical Alliance and Global Connections have a joint working arrangement to run events for CEOs of member organisations.

The Alliance has a working arrangement with Sheila Jones for the HR Network. This working arrangement was established when Sheila Jones ceased to be an employee of the Alliance in 2007.

The Evangelical Alliance has a working agreement for MentorConnect with CPAS and Stewardship. This is to establish a national inter-denominational mentoring network that links Christian leaders online to trained Christian mentors.

There were working arrangements with three organisations working with Evangelical Alliance on the 21st Century Evangelicals research project until July 2015. This was known as the research club.

The Evangelical Alliance

Notes to the financial statements

For the year ended 31 March 2016

11. Tangible fixed assets

The Group & The Alliance	Interests in leasehold property £	Office equipment £	Total £
COST			
At 1 April 2015	2,281,459	372,004	2,653,463
Additions in the year	-	16,499	16,499
	<u>2,281,459</u>	<u>388,503</u>	<u>2,669,962</u>
DEPRECIATION			
At 1 April 2015	90,300	279,468	369,768
Charge for the year	45,150	41,652	86,802
	<u>135,450</u>	<u>321,120</u>	<u>456,570</u>
NET BOOK VALUE			
At 31 March 2016	<u>2,146,009</u>	<u>67,383</u>	<u>2,213,392</u>
At 31 March 2015	<u>2,191,159</u>	<u>92,536</u>	<u>2,283,695</u>

12. Investments

	The Group		The Alliance	
	At 31 March 2016 £	At 31 March 2015 £	At 31 March 2016 £	At 31 March 2015 £
Valuation at 1st April				
COIF Charities Fixed Investment Fund	11,514	10,175	11,514	10,175
Revaluation	183	1,339	183	1,339
Shares in Subsidiary Undertakings	-	-	2	2
Valuation at 31 March	<u>11,697</u>	<u>11,514</u>	<u>11,699</u>	<u>11,516</u>

Details of the subsidiary undertakings are set out in Note 3.
Investments are held at market value.

13. Short Term Deposits

Short term deposits are held on an interest bearing COIF deposit account.

Cash at bank is primarily held on an interest bearing account at Nat West.

The Evangelical Alliance

Notes to the financial statements

For the year ended 31 March 2016

14. Debtors

	The Group		The Alliance	
	2016	2015	2016	2015
	£	£	£	£
Tax Recoverable	28,429	25,393	21,275	18,971
Amounts owed by trading subsidiary	-	-	-	685
Trade debtors	13,109	9,035	4,263	3,142
Other debtors	29,180	28,851	29,180	28,851
Prepayments	39,463	37,002	39,463	37,002
	<u>110,181</u>	<u>100,281</u>	<u>94,181</u>	<u>88,651</u>

15. Creditors : amounts falling due within one year

	The Group		The Alliance	
	2016	2015	2016	2015
	£	£	£	£
PAYE and NI contributions	32,442	28,949	32,442	28,949
Corporation Tax & VAT	8	-	-	-
Amounts owed to trading subsidiary	-	-	571	-
Advance income	-	355	-	355
Trade creditors	101,471	100,963	101,422	100,963
Accruals	38,616	38,241	36,616	36,241
Other creditors	14,202	6,917	14,047	6,917
	<u>186,739</u>	<u>175,425</u>	<u>185,098</u>	<u>173,425</u>

16. Analysis of net assets between funds of the Group

	Designated funds	General fund	Restricted funds	Total
	£	£	£	£
Fixed Assets	2,213,392	-	-	2,213,392
Investments	-	11,697	-	11,697
Net current assets	64,835	360,857	264,616	690,308
Net assets	<u>2,278,227</u>	<u>372,554</u>	<u>264,616</u>	<u>2,915,397</u>

It is the Net Current Assets plus Investments General Fund balance of £372,554, that is considered to be "free reserves" for the purposes of the Reserves Policy.

17. Limitation by Guarantee

The guarantee of members is limited to £5 each. There were 71 members at 31 March 2016 (2015: 73).

18. Consolidated movement in funds

	At 1 April 2015	Income	Expenditure	Gains and Losses	Transfers	2016 Total
Restricted Funds	£	£	£	£	£	£
Advocacy Fund	-	48,448	(48,448)	-	-	-
C I C C	13,478	12,084	(13,987)	-	-	11,575
C I C C Houghton Fund	4,016	18	-	-	-	4,034
Coalition on Drugs	3,351	15	-	-	-	3,366
Education Resource	-	17,188	(15,450)	-	(1,738)	-
Forum for Change	1,047	-	-	-	-	1,047
Gather Fund	-	47,744	(47,744)	-	-	-
GWEINI	3,179	4,462	(7,043)	-	3,250	3,848
H M Gooch Memorial Fund	12,557	57	-	-	(57)	12,557
Northern Ireland Fund	-	51,830	(51,830)	-	-	-
I T Fund	93,338	-	(14,523)	-	-	78,815
Jewels in His Crown	2,662	90	(947)	-	-	1,805
Leadership Summit	-	39,171	(39,171)	-	-	-
Mission Fund	-	49,685	(22,810)	-	-	26,875
Missional Leadership	-	10,644	(10,200)	-	-	444
Public Leadership Fund	-	27,887	(27,887)	-	-	-
Religious Liberty Commission	-	3,000	(1,355)	-	-	1,645
Scotland Fund	-	6,386	(6,386)	-	-	-
Scottish Public Leaders	-	15,325	-	-	(9,600)	5,725
S C Y W F	14,304	35,956	(38,132)	-	(2,100)	10,028
South Asia Forum	31,064	6,292	(18,720)	-	11,403	30,039
Speak Up	-	40,063	-	-	(11,915)	28,148
Student Bursary Fund	6,060	20,019	(21,905)	-	(1,500)	2,674
The Net, Cardiff	2,192	-	(2,729)	-	2,000	1,463
Threads Fund	-	29,723	(29,723)	-	-	-
Wales Fund	-	3,000	(3,000)	-	-	-
Restricted Property Project Fund	52,257	50	(11,779)	-	-	40,528
Total restricted funds	239,505	469,137	(433,769)	-	(10,257)	264,616
Designated Fixed Asset Funds	2,283,695	-	-	-	(70,303)	2,213,392
Designated Research Club Fund	3,064	-	(3,064)	-	-	-
Designated Development Fund	46,236	-	(73,233)	-	65,000	38,003
Designated Facilities Fund	-	-	(1,900)	-	10,000	8,100
Designated Non-Charitable Trading Fund	18,631	134,987	(134,886)	-	-	18,732
General Funds	282,213	1,740,943	(1,656,345)	183	5,560	372,554
Total unrestricted funds	2,633,839	1,875,930	(1,869,428)	183	10,257	2,650,781
Total funds	2,873,344	2,345,067	(2,303,197)	183	-	2,915,397

The Evangelical Alliance

Notes to the financial statements

For the year ended 31 March 2016

18. Consolidated movement in funds (continued)

Purpose of restricted funds and related working arrangements

The advocacy fund held donations given for initiatives specifically undertaken by the advocacy team. However, the majority of advocacy work was funded from unrestricted income.

The vision for the Cymru Institute of Contemporary Christianity (C I C C) is to see and help Christians in Wales engaging biblically with contemporary issues and people. There is a working arrangement for this initiative.

The C I C C Houghton Fund is for use on C I C C projects and events relating to medical matters. The fund was originally a gift to the London Institute of Contemporary Christianity and transferred to the Alliance in 2010.

The Coalition on Drugs raises awareness of drug issues to church and society and provides a network of support for Christians in drug/alcohol related ministries.

The Education Resource is a programme to produce and distribute a published guide for the Christian family about Education. It has been funded by the Bruderhof Community and Evangelical Alliance.

The Forum for Change is an advocacy initiative bringing together a network of organisations, individuals and churches to mobilise the Church in influencing key change drivers in education, politics, the media, the arts and business.

Gather is a programme of the Alliance. It is a national network of unity movements in towns, cities and villages across England which provides support and opportunities to exchange experience between local movements. The restricted fund holds donations specifically given to this programme. Programme costs from the core budget are charged to the fund. A significant part of the programme was funded from unrestricted funds.

GWEINI is an initiative of the Evangelical Alliance in Wales working with churches and organisations, to represent the Christian voluntary sector in Wales to all levels of government and to network at a local level. The finances are administered through two restricted funds in the Evangelical Alliance accounts. There is a working arrangement for this initiative.

The H M Gooch Memorial Fund was established in memory of a late general secretary of the Alliance. One half of the income from the fund in any year is used for the relief of distressed and persecuted Christians and the maintenance of religious liberty, with the remainder used for the general purposes of the Alliance.

The Northern Ireland Fund held donations specifically given for work in the nation. However, the majority of funding for initiatives in Northern Ireland is shown as unrestricted expenditure.

The I T Fund was set up for donations for major IT projects, particularly the selection and implementation of a new CRM database.

Jewels in His Crown facilitates ministry amongst South Asians in Britain to people from all religious backgrounds and celebrates the cultural diversity and richness of the multi-cultural Body of Christ in Britain. The restricted fund is used for related activities. It was transferred to the Alliance to be managed by the South Asian Forum.

The Leadership Summit Research project has a vision to see the UK reached with the power of the gospel leading to spiritual and social transformation of the UK. Hope and the Mission and Public Affairs department of the Church of England are parties to the working agreement.

The Evangelical Alliance

Notes to the financial statements

For the year ended 31 March 2016

18. Consolidated movement in funds (continued)

Purpose of restricted funds and related working arrangements (continued)

The Mission Fund is for donations for the work and programmes of the Alliance's Unity in Mission team, including the Great Commission Web Portal.

Missional Leadership is an initiative in EA Wales to work with Christians from the United States to share the Christian Gospel in Wales.

Public Leadership is the Evangelical Alliance's programme to see more Christians inspired to serve and lead in public life. The restricted fund holds donations specifically given to this programme. Programme costs from the core budget are charged to the fund.

The Religious Liberty Commission brings together Open Doors, Release International and Christian Solidarity Worldwide working on behalf of persecuted Christians to speak with one voice and encourage the UK church to support persecuted Christians.

The Scotland Fund held donations specifically given for work in the nation. However, the majority of funding for initiatives in Scotland is shown as unrestricted expenditure.

Scottish Public Leaders programme is part of the main Public Leadership programme to see more Christians inspired to serve and lead in public life. The restricted fund holds donations specifically given to this programme. Programme costs from the core budget are charged to the fund.

Scottish Christian Youth Work Forum (S C Y W F) aims to encourage and enable the Church and wider Christian community in Scotland to help young people encounter Jesus, in particular through the annual Deep Impact event for Christian youth workers. A working arrangement exists for this initiative between the Alliance and nine other organisations.

The South Asian Forum (SAF) provides a forum for South Asian Christians in the UK. Church, organisation and personal members of SAF will also be members of the Alliance. The Alliance provides membership administration and allocates a proportion of donations received to SAF as designated funds. During the year, a part time National Co-ordinator and project manager was employed. SAF is operated as a restricted fund of the Alliance. The Alliance has a working arrangement for SAF.

Speak Up is an accessible resource being produced by the Alliance and the Lawyers Christian Fellowship to encourage Christians to speak about the good news of Jesus Christ in private, work and public life by reference to the law as it is today.

The Student Bursary Fund provides support for lay ministers in training at Bible and Theological Colleges. These funds are a grant from the Jerusalem Trust.

The Net Cardiff Fund is to fund the salary costs of a worker for an initiative supporting Cardiff churches. During the year the Alliance made an allocation to Net Cardiff as designated funding.

The Evangelical Alliance

Notes to the financial statements

For the year ended 31 March 2016

18. Consolidated movement in funds (continued)

Purpose of restricted funds and related working arrangements (continued)

Threads is a programme of the Alliance. It is a collective of Christians in their 20s and 30s exploring faith and life through an online and offline community. The restricted fund holds donations specifically given to this programme. Programme costs from the core budget are charged to the fund. A significant part of the programme was funded by unrestricted funds.

The Wales Fund held donations specifically given for work in the nation. However, the majority of funding for initiatives in Wales is shown as unrestricted expenditure.

The Restricted Property Project Fund was set up for the move to new premises in Copenhagen Street in 2013 which provided a working environment which is fit for purpose and makes for more effective working. There are still some outstanding costs to the project which will be charged to the fund.

Transfers from restricted funds represent charges by the Alliance for administrative services. Transfers into restricted funds are the Alliance's contributions to shared programmes.

Purpose of designated funds

The Designated Fixed Asset Fund reflects the net book value of all fixed assets held by the Evangelical Alliance. This includes the Alliance's interest in a long leasehold property, IT and office equipment held by the Alliance ref Note 11.

The Research Club Fund was for work on the 21st Century Evangelicals research project. Financial contributions were made by organisations that were part of the Research Club. There were working arrangements with organisations working with Evangelical Alliance on the project until July 2015.

The Development Fund was set up to fund high impact initiatives connected to the Alliance's commitment to bring together the evangelical community – building unity for mission and allowing that community to have a voice to government, media or the church. Such initiatives are for a maximum of three years, and provide an opportunity to encourage entrepreneurship, creativity and flexibility. £70,000 was designated by the trustees in the year.

The Designated Facilities Fund has been set up to even out facilities expenditure within the five year rolling maintenance plan. £10,000 was designated by the trustees in the year.

The Designated Non-Charitable Trading Fund represents the activities of the Alliance's subsidiary company, The Evangelical Alliance Developments Limited. This fund will remain as long as the Alliance has any trading subsidiaries.

19. Transition to FRS 102

The date of the transition to FRS 102 was 1 April 2014. There were no adjustments arising on transition to FRS 102 that had an effect on net reserves or on the income and expenditure at the date of transition at 31 March 2015 or 31 March 2016. No reconciliation is therefore provided and the figures disclosed in accordance with the previous financial reporting framework and those determined in accordance in accordance with FRS 102 for the same period other than a reconciliation to the presentation of investment gains as a component of reported income and the re-allocation of governance costs.

The Evangelical Alliance

Notes to the financial statements

For the year ended 31 March 2016

Reconciliation of reported net income

	2015 £
Net income as previously stated	45,389
Adjustment for gains on investments treated as a component of net income	<u>1,339</u>
2015 net income restated	<u><u>46,728</u></u>

20. Reconciliation of net income to net cash flow from operating activities

	2016 £	2015 £
Net income for the year	42,053	46,728
Interest receivable	(2,036)	(1,943)
Depreciation of tangible fixed assets	86,802	88,679
Gains on investments	(183)	(1,339)
(Increase) in stock	(1,752)	-
(Increase) / decrease in debtors	(9,900)	67,198
Increase / (decrease) in creditors	<u>11,314</u>	<u>(51,223)</u>
	<u><u>126,298</u></u>	<u><u>148,100</u></u>