



The Evangelical Alliance

Annual Report and Financial Statements

Year ended
31 March 2015

In line with recommended fraud prevention protocols, printed and electronic copies of the Annual Report & Financial Statements are produced without signatures.

Signed originals are kept at the Evangelical Alliance and at our auditors Sayer Vincent.

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

The Evangelical Alliance

Reference & Administrative Details

For the year ended 31 March 2015

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| 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 |
| Chair of Council | Rev Dr Kate Coleman (retired 18 September 14) Rev John Glass (appointed 18 September 14) |
| General Director | Mr Stephen Clifford |
| Company Secretary | Miss Helen Calder |
| Honorary Treasurer | Mr Peter Jeffrey |
| Trustees | Mr Stephen Cave (appointed 18 September 14) Rev Dr Kate Coleman (resigned 18 September 14) Mrs Tracy Cotterell (appointed 18 September 14) Rev John Coyne Mr Derek Crookes Mrs Rachel Gardner (retired 18 September 14) Miss Ruth Gilson (vice chair) (resigned 26 June 14) Rev John Glass (chair of council) (appointed 18 September 14) Rev Dr Steve Holmes Mr Peter Jeffrey (honorary treasurer) Rev Tani Omideyi (appointed 18 September 14) Mrs Rachel Phillips (co-opted 26 March 15) Mr Julian Richards Mrs Arlene Small Rev Mike Talbot (chair) Mrs Ruth Walker (appointed 18 September 14) Miss Rachel Westcott |
| Bankers | National Westminster Bank plc 290 Walworth Road London SE17 3RQ CCLA Investment Management Ltd St Alphage House 2 Fore Street London EC2Y 5AQ |

The Evangelical Alliance

Reference & Administrative Details

For the year ended 31 March 2015

Solicitors Anthony Collins Solicitors LLP
 134 Edmund Street
 Birmingham B3 2ES

Auditors Sayer Vincent LLP
 Chartered Accountants
 Statutory Auditors
 Invicta House
 108-114 Golden Lane
 LONDON EC1Y 0TL

The Evangelical Alliance

Report of the General Director

For the year ended 31 March 2015

In a busy year at the Evangelical Alliance which saw preparation for a general election and an independence referendum in Scotland, the Evangelical Alliance moved forward in its goal for the Church to be united in mission and confident and effective in its voice. We have settled in well during our second year at our new resource centre in Kings Cross, enabling us to be a more accessible, 21st century organisation. Our resource centre continues to be a hub – a welcoming meeting place for many Christian organisations and individuals, which reflects our commitment to uniting the Church and equipping its members for mission. We remain extremely grateful to our generous members and supporters whose giving enabled us to deliver our strategy and programmes.

The 2014-15 year was another year of movement and change. Our Home for Good initiative – launched in collaboration with Care for the Family and the Churches Child Protection Advisory Service – had been so successful that it spread its wings to become its own charity in September 2014. We continue to support and champion its work as it seeks to encourage Christians to consider fostering and adoption to meet the current crisis in the numbers of children who are left without a loving home.

One of this year's most successful events was Gather North, which brought together hundreds of Christians in the north of England passionate about uniting for mission in their towns and cities. The Gather initiative draws together groups of Christians uniting across towns and cities in geographical locations around the nation.

Our advocacy team has been as busy as it ever has been, working in the run-up to the general election in Westminster, the Scottish parliament and the national assemblies where our team has been building relationships with MPs, MSPs and assembly members on issues as diverse as human trafficking, gambling, marriage and religious liberty. This year, the team launched our Public Leadership initiative – inspiring, training and equipping Christians to take the lead in whatever area they might feel called to within their communities.

Following our media and communications team restructure last year, we have continued to ensure our messaging as an organisation is accessible and consistent across all our platforms. Our fundraising, membership and supporter messaging are now more integrated and reflects our commitment to speaking with a united voice. Our social media presence continues to grow from strength to strength, with more than 15,000 followers on Twitter, for example. This is giving us greater opportunity to speak to and hear from our constituency as well as voices outside our membership and the Church.

It was another award-winning year for our threads collective for people in their 20s and 30s, gathering together writers and thinkers from the millennial generation to explore faith and life online and offline through social gatherings and events. We also held a number of joint events with other organisations including the London Institute of Contemporary Christianity on ambition and a writers' day with Tearfund's Rhythms, taking the online offline.

We believe that it's our duty to communicate hope to society through language and media that this society understands. We are committed to being that voice of hope and representing our evangelical Christian constituency to media, government and society as a whole.

In what has been a very exciting year full of movement, our hope remains the same as it was when we first started all those years ago in 1846 – unity across the Church with the aim of seeing lives and communities transformed with the good news of Jesus Christ.

This is just a taster of the work of the Alliance. I hope you, like me, are inspired by all the great work that has been achieved over the past 12 months.

Steve Clifford
General Director
Evangelical Alliance

The Evangelical Alliance

Report of the Board of Trustees

For the year ended 31 March 2015

The Board presents its annual report and audited financial statements for the year ended 31 March 2015. The financial statements comply with current statutory requirements, with the requirements of the Evangelical Alliance's governing document, the Memorandum and Articles of Association and the Statement of Recommended Practice for Accounting and Reporting by Charities (2005). 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 Memorandum and 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;
- 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:

- unity – bringing evangelical Christians together for mission, fostering a sense of community and taking part in programmes and projects alongside other Christian organisations;
- advocacy – providing a Christian voice in government and the media through various initiatives, including lobbying parliament, campaigning, resourcing and equipping the Church and our members to be active citizens; as well as engaging actively with the secular media;
- communications and membership – informing, inspiring, equipping 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 that our Christian values that underpin our work benefit all areas of society and the Alliance fulfils the public benefit test required of charities. Some of the activities we undertake specifically benefit our members and supporters, but we are an outward-looking organisation, committed to the transformation of all people in society, for good. This is why we work hard to make sure that the benefits we work for are not exclusive to our members or to evangelical Christians.

While the Trustees believe following Christ changes lives for the better, they 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 reporting 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 2015

Achievements and Performance

Performance is reported using the SOFA headings for charitable activities. This report gives a taster of the activities that the Alliance has undertaken over the 12 months to March 2015. 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.

Unity

The Evangelical Alliance has been committed to unity since its formation in London in 1846. It is this unity that forms the foundation of the work we have undertaken across the UK for nearly 170 years. Inspired by Jesus's prayer in John 17 that Christians might be united, we are passionate about bringing together our 3,600 member churches, 80 denominations and 600-plus member organisations, as well as 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.

One of the most tangible examples of this in the reporting period was the Home for Good initiative we launched in March 2013 in collaboration with the Churches Child Protection Advisory Service and Care for the Family. This was our joint attempt to mobilise the Church to respond to the need for fostering and adoption in the UK. The campaign aimed to make fostering and adoption a normal part of church life and meet the UK deficit in which 6,000 children are awaiting adoption and 9,000 more foster families are urgently needed. The programme received support from leading figures, including the Archbishop of Canterbury. It also captured the hearts and imaginations of many in the Church who were open to the idea of adoption and fostering, or keen to support those within their congregations who do. It was so successful that in September 2014, it became its own charity and has been steadily growing since then. Through its web of connections, Home for Good now has a voice into approximately 15,000 churches. If one family in each of the churches chose to foster or adopt, there would be no children in the UK without a home.

The Alliance's passion for unity was also demonstrated through the increasing momentum of our Gather network, which unites, equips and celebrates groups of Christians working together for the benefit of their towns and cities. Christian leaders and churches over the last few years have been forming vibrant mission-focused unity movements based on a foundation of prayer, friendship and action. So far, our Gather network, has uncovered more than 120 movements across England, committed to laying aside theological differences to work together in unity. At the beginning of March 2015, our Gather North conference brought together 260 people over two days at Salford's Media City to pray, play and be inspired for united mission across different cultural spheres, including business, the arts, politics and the media.

Our One People Commission (OPC) – a body made up of key national leaders from ethnic minority churches across the UK – continued to go from strength to strength. The Commission's aim is 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. The OPC is also working to ensure the Alliance is authentically representative of the diversity of the evangelical Church. This year, the Commission particularly worked on building relationships and hosting gatherings of second generation migrant Christians in their 20s and 30s in order to gain their insight into how the Church can be effective for the good of this generation, rather than catering mainly for the older generation. The Commission undertook a survey of 1,700 people in this age group to find out their beliefs, habits and practices, as well as their perceptions of church. The Commission is working towards creating a resource during the next reporting year to equip church leaders in how to cater to the needs of the millennial generation in their churches. Since the One People Commission began in 2011, we have seen a significant number of new member churches from within majority-ethnic denominations, including the Redeemed Christian Church of God which is one of the fastest-growing in the UK. Our South Asian Forum (SAF) also went from strength to strength, uniting the country's 75,000 South Asian Christians. The SAF team launched its *Discovering Jesus Through Asian Eyes* course in April 2014. The eight-week course is the first of its kind, answering the 16 most commonly asked questions by South Asians concerning the Christian faith.

Unity is the heartbeat of the Evangelical Alliance Wales, which is involved in several coalitions with other organisations for the public benefit of the nation. This year, the Alliance Wales team worked towards launching the new Missional Links website which exists to encourage US churches and Welsh churches to collaborate in mission across each Welsh

The Evangelical Alliance

Report of the Board of Trustees

For the year ended 31 March 2015

county and across the nation in long-term relationship. It is also hoped the initiative will inspire Welsh churches to work together as a 'hub of transformation' to bring lasting spiritual transformation to their country. The Alliance also remained involved in Waleswide – a coalition for the strengthening and planting of churches across Wales, as well as Gweini (which represents the Christian voluntary sector in Wales) and New Generation Leaders. This year, the Alliance Wales also worked with other organisations on a number of particular issues including domestic violence and human trafficking.

This was a landmark year in Scottish history as the independence referendum took place in September 2014. The Alliance in Scotland was heavily involved in engaging the Church in the referendum debate and promoting reconciliation among those with differing views following the debate. Further information about the Alliance's work on the referendum is outlined in the advocacy section below.

The Northern Ireland team continued its sterling work of being a leading voice to and for the Church in the country. It maintained its ongoing relationship and presence at festivals including New Horizon and Summer Madness, as well as Catalyst.

These are merely a taster of some of the work the Alliance has been engaged in to promote unity. We continue to work in more than 40 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.

Advocacy

Alongside unity, 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 political lobbying is such that much of the work that the Alliance's parliamentary officers and advocacy staff 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 does have a number of advocacy campaigns and initiatives that have taken place during the reporting year.

This year was dominated by preparation for the general election. Our advocacy teams across the UK worked tirelessly on a number of different initiatives to engage Christians in politics. The Alliance collaborated with Christians in Politics to launch the Show Up campaign to encourage positive engagement in the run-up to the election and beyond. The flagship resource of the Show Up campaign was an online video viewed by 20,991 people and also shown at church gatherings. A One People Commission version of the video was also produced to encourage ethnic minority Christians to vote and was viewed 803 times in the reporting period.

As part of our ongoing 21st Century Evangelicals research series, we produced a politics report that was completed by 2,362 people, with 776 people downloading the results. Our 21st Century Evangelicals series produces quarterly booklets following surveys into the beliefs, habits and practices of evangelical Christians. Working in partnership with a number of other organisations who have joined our Research Club, the team come up with discussions and recommendations based on the findings in books designed to equip church leaders. The research follows on from the initial survey in 2011, which saw 17,000 people answer questions and now has more than 1,200 people regularly taking part as part of our research panel. Other titles published in the series this year included *Time for discipleship?* and *Are we good neighbours?* and the publication of the book *21st Century Evangelicals*.

The Evangelical Alliance

Report of the Board of Trustees

For the year ended 31 March 2015

In Wales in October 2014, representatives from Evangelical Alliance Wales and the National Prayer Breakfast of Wales presented the Bishop William Morgan ground-breaking Welsh translation of the Bible to the presiding officer, Dame Rosemary Butler, Assembly member for Newport West. Published in 1588, this version translated the scriptures from original Hebrew and Greek texts and also drew heavily on an earlier Welsh version of the New Testament produced by William Salesbury in 1567. The Alliance in Wales hoped that Assembly members and visitors to the Senedd would be reminded that the identity, language, culture and politics of Wales have been enriched by this Bible and that it still exerts a great deal of influence on Welsh national life.

During such a landmark year in Scottish politics, the Evangelical Alliance in Scotland played a key part in encouraging churches to be active in the debate. In April 2014, the Alliance Scotland launched a manifesto at the Scottish parliament entitled *What Kind of Nation?* ahead of the independence referendum in September. It comprised 38 recommendations covering the four pillars of Scottish society – the economy, the family, civil society and the environment. In the months following the referendum, the Alliance Scotland equipped and inspired churches across the nation to run hustings with local parliamentary candidates in the run-up to the election.

The Evangelical Alliance in Northern Ireland rapidly increased its profile in media and parliament, becoming a go-to voice on wide-ranging issues in public life and politics, including human trafficking, abortion, relationships and religious liberty. This year, the team worked hard with member organisation CARE and churches to organise several hustings in the weeks and months leading up to the general election.

This year also saw the Alliance's Public Leadership initiative go from strength to strength. With its strapline "Be a voice for good", the initiative encourages Christians from all walks of life in communities across the country, to step up and lead for the good of all people. The initiative includes a series of training events taking place around the country to equip and resource Christians on how best to be leaders in their communities, including how best to develop leadership in media and politics.

Our coverage in the press this year was outstanding, having gained significantly more press coverage than we did in the previous financial year. This year the Alliance appeared in broadcast media 295 times, compared to 177 last year; and in print 593 times compared to 380 last year. Some 94 press mentions were specifically on our election work. We continued to have a voice in both Christian and mainstream media, thanks to the work of our press office which built on its strong relationships with journalists, placing stories across the press to build the reputation of the Alliance and to ensure evangelical perspectives are represented in public debate.

Media and membership

The number of unique visitors to our website continues its marked increase, following our communications overhaul in March 2012. We have also seen great increases in our social media traffic. We now have more than 3,400 likes on Facebook – up from 400 in 2012; and more than 15,000 followers on Twitter – a tenfold increase in three years. Our social media presence has also diversified with a number of new social media accounts for our various initiatives and programmes, including the One People Commission, *threads*, Public Leadership, Gather and *idea* magazine.

Threads – our online collective of Christians in their 20s and 30s exploring faith and life – continued its success this year, winning Multi-Author Blog of the Year at the Christian New Media Awards in November 2014. As the popularity of threads increased so did the opportunities for us to work in partnership with a number of other organisations on editorial, strategy and events. Tearfund's Rhythms, the London Institute of Contemporary Christianity, Momentum, the Christian Aid Collective, Keswick and Greenbelt festivals are just some of the groups we worked with during the reporting period. 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.

We have continued to resource members with a variety of e-communications: *PQ* 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* is a monthly prayer email sent to over 2,000 members and supporters.

The Evangelical Alliance

Report of the Board of Trustees

For the year ended 31 March 2015

During the year we implemented our new supporter strategy, encouraging people keen on particular areas of our work to give £3 a month to that designated area. This new way of working has moved us away from a model of personal membership to individual support. Our investment in our membership team spending more time chasing donations from churches has proved successful and the overhaul of our reminder system to request annual donations in advance of the renewal date and lapsing those who do not renew has improved income.

Fundraising

The majority of donation income is from regular donations from personal, church and organisation members and this does not require direct fundraising activity. Fundraising and publicity costs of £158,468 yielded income of £500,317 (ROI 3.2 compared to 3.4 last year) while advertising revenue of £144,517 incurred costs of £50,529 (ROI 3.5 compared to 2.4 last year).

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

Trading Subsidiary

The Evangelical Alliance has a wholly owned trading subsidiary which manages the production and distribution of publications and conducts trading activities for the charity. There was increased advertising for idea magazine and easilyfound leading to an increased operating profit. The company donated £78,710 to the charity during the year.

Financial Review

The Statement of Financial Activities on page 14 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). It reports net incoming resources for both restricted and unrestricted funds of £45,389 compared with net incoming resources of £96,885 in the previous year.

Income

Total incoming resources for continuing activities amounted to £2,370,937 (last year: £2,312,702). 85 per cent of this was from donations. An increased number of donations were given for specific programmes and are therefore shown in the restricted column.

Expenditure

Total expenditure for the year was £2,325,548 (last year: £2,215,817). 91 per cent of expenditure related to charitable activities, with the balance of 9 per cent attributed to the cost of publicity and generating funds. A detailed analysis of expenditure is given in note 5 (page 19). Advocacy initiatives accounted for 25 per cent of expenditure, with unity initiatives amounting to 37 per cent and media and membership 27 per cent. The remaining 2 per cent was attributed to governance. Restricted fund expenditure of £342,473 included costs of the Scottish Christian Youth Worker Forum (SCYWF) event and student bursary grants as well as some of the costs of our advocacy, gather, public leadership and threads programmes and some of the initiatives in Northern Ireland, Scotland and Wales.

Balance Sheet

The balance sheet on page 15 shows that funds for the Group at 31 March 2015 totalled £2,873,344 (last year: £2,826,616) including net current assets of £578,135 (last year: £479,871) and general unrestricted funds of £282,213 (last year: £233,415).

The Evangelical Alliance

Report of the Board of Trustees

For the year ended 31 March 2015

Reserves

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 2015 to be £282,213 which is an increase from the previous year figure of £233,415. This is the result of a number of compensating factors which include transfers to the development fund and fixed asset fund. The Board will work towards rebuilding the free reserves to meet its policy over the next few years.

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.

Structure & Governance

The Evangelical Alliance is a charity registered in England and Wales and in Scotland and a company limited by guarantee. It is referred to throughout the report and the financial statements as 'the Alliance'. 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, 73 in number at 31 March 2015. 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 Memorandum and Articles of Association, which requires the Board to take responsibility for the business of the Alliance. The members who form the Board are shown on page two. Members of the Council of Members are elected at the Annual 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, age and denominational background of members. Individuals hold office for six years and thereafter may be re-admitted for further six-year terms. The Council of Members normally meets twice a year.

The Board is elected from the Council of Members. One third (or the number nearest one third) of the members of the Board retire at each Annual General Meeting. A retiring Board member is eligible for re-election. 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 Memorandum and Articles of Association. A Board member so appointed holds office only until the next Annual General Meeting, whereupon he or she is eligible for re-election provided he or she has been elected to the Council of Members.

An induction is held for new Trustees and Council members, covering topics such as responsibilities of Board and 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.

The Alliance's Memorandum and Articles of Association permits the Board to delegate any of its powers to sub-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 has been undertaken. Proposals have been agreed in principle by both Board and Council and will be formally adopted at the AGM in September 2015. This will include approval of new Articles of Association.

The Evangelical Alliance

Report of the Board of Trustees

For the year ended 31 March 2015

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;
- 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.

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 five times during the year including a 24 hour Board retreat in March.

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.

This year saw some changes in the leadership team. Krish Kandiah, executive director: churches in mission, left in September 2014 to become president of the London School of Theology and also head up Home for Good. This year also saw two new appointments: Chine Mbubaegbu – formerly head of media & communications – was appointed by the Board to the role of director of communications in January 2015. At the same time, it was announced that Gavin Calver – former national director of Youth for Christ – will take up his role as director of mission/England at the Alliance in June 2015. The current leadership team therefore 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 Mbubaegbu (director of communications); and Gavin Calver (incoming director of mission/England).

The Evangelical Alliance

Report of the Board of Trustees

For the year ended 31 March 2015

In addition to a gifted and committed staff team, we are especially grateful to volunteers who contributed nearly 6,000 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 may be 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 Kate Coleman, Rachel Gardner and Ruth Gilson who left the Board during the reporting year. Kate also retired as Chair of Council at the September 2014 AGM. This was a significant term of office as the first ever female and first ever black Chair of the Alliance's Council. Additionally Kate championed the review of Council which is now being implemented.

A number of new Board members were appointed during the year, namely Stephen Cave, Tracy Cotterell, John Glass, Tani Omideyi, Rachel Phillips (co-opted) and Ruth Walker. John, who is the General Superintendent of the Elim Pentecostal church, was also appointed to a three year term as Chair of Council.

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 areas of potential risk to the organisation and the implementation of actions required to avoid risk. Work also takes place on a rolling basis outside the meetings and all programmes and events are expected to undertake a practical risk assessment and mitigation for their activities. The focus over the last year has been on programme management and event management. Additionally the board undertook a review of all strategic, operational and reputational risks.

The Future

2014/15 saw the Evangelical Alliance leadership team, together with Board and staff, complete the first year of its work towards the goals and outcomes outlined in our strategic plan 2014-2018. 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 include public leadership training 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 a renewed focus on discipleship and mission in the coming year. Communication to our membership and the wider community remains a priority via our magazine (*idea*) with a circulation of 26,555, alongside press releases, our website, publications and social media. Prayer has always been seen as an important aspect of the Evangelical Alliance and the strategic plan has identified a fresh priority of raising 2,500 members committed to praying weekly with us for our strategic aims by 2018 by encouraging them to subscribe to *REAP* our new monthly prayer email. Our hope and prayer is that all this will illustrate our strapline "better together".

Auditors

Sayer Vincent LLP were re-appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

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

Mike Talbot
Chair of Trustees
25 June 2015

Independent auditor's report

To the members and trustees of

The Evangelical Alliance

We have audited the financial statements of The Evangelical Alliance for the year ended 31 March 2015 which comprise the group and parent charitable company statement of financial activities, the group and parent charitable company balance sheets 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 charitable company's members and Trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 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 charitable company's members and Trustees those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members and Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditors

As explained more fully in the statement of Trustees' responsibilities set out in the report of the Board of Trustees, 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.

We have been appointed as auditor under section 44(1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the report of the to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 charitable company's affairs as at 31 March 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on 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.

Independent auditor's report

To the members and trustees of

The Evangelical Alliance

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 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the parent charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the report of the trustees and take advantage of the small companies' exemption from the requirement to prepare a strategic report.

Noelia Serrano (Senior statutory auditor)

13 July 2015

for and on behalf of Sayer Vincent LLP, Statutory Auditors

Invicta House, 108-114 Golden Lane, LONDON EC1Y 0TL.

Sayer Vincent LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

The Evangelical Alliance

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

For the year ended 31 March 2015

| | Note | Restricted £ | Unrestricted £ | 2015 Total £ | 2014 Total £ |
|--|------|-----------------|-------------------|--------------------|--------------------|
| Incoming Resources | | | | | |
| <i>Incoming resources from generated funds</i> | | | | | |
| Voluntary income | | | | | |
| Donations | 2 | 355,086 | 1,667,553 | 2,022,639 | 2,011,072 |
| Legacies | | - | 38,316 | 38,316 | 64,109 |
| <i>Activities for generating funds</i> | | | | | |
| Serviced Desks | | - | 3,620 | 3,620 | 6,198 |
| Advertising revenue | | - | 144,517 | 144,517 | 118,105 |
| <i>Investment income</i> | | | | | |
| Interest and dividends receivable | | 146 | 1,797 | 1,943 | 2,352 |
| <i>Incoming resources from charitable activities</i> | | | | | |
| Unity Initiatives | | 51,664 | 90,139 | 141,803 | 87,629 |
| Media & Membership | | 11,320 | 2,013 | 13,333 | 19,803 |
| <i>Other incoming resources</i> | | | | | |
| Other income | | - | 4,766 | 4,766 | 3,434 |
| Total incoming resources | | 418,216 | 1,952,721 | 2,370,937 | 2,312,702 |
| Resources expended | | | | | |
| <i>Cost of generating funds</i> | | | | | |
| Fundraising and publicity | | - | 158,468 | 158,468 | 129,787 |
| Generation of advertising revenue | | - | 50,529 | 50,529 | 49,760 |
| <i>Charitable activities</i> | | | | | |
| Unity Initiatives | | 263,772 | 584,539 | 848,311 | 818,088 |
| Advocacy Initiatives | | 67,062 | 514,865 | 581,927 | 527,461 |
| Media & Membership | | - | 629,003 | 629,003 | 611,512 |
| Property Project | 18 | 11,639 | - | 11,639 | 32,635 |
| Transition Fund | | - | - | - | 1,056 |
| Governance | | - | 45,671 | 45,671 | 45,518 |
| Total resources expended | 5 | 342,473 | 1,983,075 | 2,325,548 | 2,215,817 |
| Net incoming resources for the year before transfers | 6 | 75,743 | (30,354) | 45,389 | 96,885 |
| Transfers between funds | 18 | (3,750) | 3,750 | - | - |
| Gains and Losses | 18 | - | 1,339 | 1,339 | (74) |
| Net movements in funds | 18 | 71,993 | (25,265) | 46,728 | 96,811 |
| Funds at 1 April | | 167,512 | 2,659,104 | 2,826,616 | 2,729,805 |
| Funds at 31 March | | 239,505 | 2,633,839 | 2,873,344 | 2,826,616 |

All of the above results are derived from continuing activities. 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 sheets

Company No. 123448

As at 31 March 2015

| | | The Group | | The Alliance | |
|--|------|-------------------------|------------------|-------------------------|------------------|
| | | 2015 | 2014 | 2015 | 2014 |
| | Note | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible fixed assets | 11 | 2,283,695 | 2,336,569 | 2,283,695 | 2,336,569 |
| Investments | 12 | 11,514 | 10,176 | 11,516 | 10,178 |
| | | <u>2,295,209</u> | <u>2,346,745</u> | <u>2,295,211</u> | <u>2,346,747</u> |
| Current assets | | | | | |
| Debtors | 14 | 100,281 | 167,479 | 88,651 | 155,092 |
| Short term deposits | 13 | 346,919 | 61,392 | 346,919 | 61,392 |
| Cash at bank and in hand | 13 | 306,360 | 477,648 | 297,357 | 459,838 |
| | | 753,560 | 706,519 | 732,927 | 676,322 |
| Liabilities | | | | | |
| Creditors: amounts falling due within one year | 15 | 175,425 | 226,648 | 173,425 | 222,929 |
| Net Current Assets | | 578,135 | 479,871 | 559,502 | 453,393 |
| Net assets | 16 | <u>2,873,344</u> | <u>2,826,616</u> | <u>2,854,713</u> | <u>2,800,140</u> |
| Funds | | | | | |
| Restricted funds | | 239,505 | 167,512 | 239,505 | 167,512 |
| Designated fixed asset funds | | 2,283,695 | 2,336,569 | 2,283,695 | 2,336,569 |
| Designated fund - Non-Charitable Trading | | 18,631 | 26,476 | - | - |
| Designated funds - Others | | 49,300 | 62,644 | 49,300 | 62,644 |
| Unrestricted general funds | | 282,213 | 233,415 | 282,213 | 233,415 |
| Total funds | 18 | <u>2,873,344</u> | <u>2,826,616</u> | <u>2,854,713</u> | <u>2,800,140</u> |

Approved by the Board of Trustees on 25th June 2015 and signed on their behalf by

Peter Jeffrey, Treasurer

The Evangelical Alliance

Notes to the financial statements

For the year ended 31 March 2015

1. Accounting policies

- a) The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards. They follow the recommendations in the Statement of Recommended Practice, Accounting and Reporting by Charities (revised in March 2005) and the Companies Act 2006.
- b) The financial statements include the accounts of the national teams in Wales, Scotland and Northern Ireland. The group accounts consolidate the accounts of 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 and paragraph 397 of the SORP. Consolidation has been undertaken on a line by line basis.
- c) 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.

- d) 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 nearly 6,000 hours during the year. Gifts in kind are valued at an estimate of their gross value to the Alliance.
- e) Legacy income is accounted for on a receivable basis. A legacy is considered receivable for the period only once the amount of receipt is known with certainty.
- f) 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.
- g) Pension contributions are paid into a Group Personal Pension Plan 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 the completion of a probationary period of employment. The assets of the pension scheme are held in funds which are administered independently of the Group. Plans are in hand for Auto-enrolment. The Alliance's staging date is 1st August 2015.

The Evangelical Alliance

Notes to the financial statements

For the year ended 31 March 2015

1. Accounting policies (continued)

- h) 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.
- i) 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 for administration based on a reasonable percentage of income received for the year. No further management and support costs are allocated to restricted funds.
- j) Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity.
- k) Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.
- l) The cost of generating funds relates to the costs incurred by the charitable company in raising funds for the charitable work.
- m) 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 attaching are fulfilled.
- n) Governance costs include costs relating to the management of the charitable company's assets, organisational management and compliance with constitutional and statutory requirements.
- o) Resources expended include attributable VAT which cannot be recovered.

2. Donations

| | Restricted | Unrestricted | 2015 Total | 2014 Total |
|------------------------|----------------|------------------|-------------------------|------------------|
| | £ | £ | £ | £ |
| Individual donors | 99,853 | 1,014,549 | 1,114,402 | 1,138,197 |
| Income tax recoverable | 6,659 | 157,646 | 164,305 | 174,805 |
| Charitable trusts | 224,000 | 20,450 | 244,450 | 158,150 |
| Member churches | 7,312 | 398,395 | 405,707 | 427,030 |
| Member organisations | <u>17,262</u> | <u>76,513</u> | <u>93,775</u> | <u>112,890</u> |
| Total donations | <u>355,086</u> | <u>1,667,553</u> | <u>2,022,639</u> | <u>2,011,072</u> |

The Evangelical Alliance

Notes to the financial statements

For the year ended 31 March 2015

3. Net income of trading subsidiary

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

A summary of trading results is shown below.

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

| | 2015 | 2014 |
|---|----------------------|---------------|
| | Total | Total |
| | £ | £ |
| Turnover | 281,048 | 264,042 |
| Cost of sales | (117,725) | (128,838) |
| Gross profit | 163,323 | 135,204 |
| Administration | (92,458) | (78,109) |
| Net profit before donation to the Alliance | <u>70,865</u> | <u>57,095</u> |

The Evangelical Alliance Developments Limited made donations to the charity (the Alliance) of £78,710 (2014: £56,964). At 31 March 2015, The Evangelical Alliance Developments Limited had aggregate assets of £21,318 (2014: £30,664) and aggregate liabilities of £2,685 (2014: £4,186).

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

| | 2015 | 2014 |
|----------------------|------------------------|---------------|
| | Total | Total |
| | £ | £ |
| Gross income | 2,394,820 | 2,326,888 |
| Results for the year | <u>(53,234)</u> | <u>96,764</u> |

4. Taxation

The activities of The Evangelical Alliance are exempt from direct taxation under Sections 466-493 of the Income and Corporation Tax Act 2010 as its income is charitable and applied towards charitable purposes. In 2014/15 The Evangelical Alliance Developments Limited, a 100% owned trading subsidiary of The Evangelical Alliance, paid £Nil in Corporation Tax (2013/14 £10).

The Evangelical Alliance

Notes to the financial statements

For the year ended 31 March 2015

5. Total resources expended

| | Staff related costs | Property, equipment and office expenses | Membership materials and resources | Activities and programmes | Financial costs inc VAT | Grants made | 2015 Subtotal | Allocated support costs | 2015 Total | 2014 Total |
|---|---------------------|---|------------------------------------|---------------------------|-------------------------|---------------|------------------|-------------------------|------------------|------------------|
| | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| Cost of generating funds | | | | | | | | | | |
| Fundraising and publicity | 88,872 | 15 | 31,321 | - | - | - | 120,208 | 38,260 | 158,468 | 129,787 |
| Generation of advertising revenue | 38,330 | - | - | - | - | - | 38,330 | 12,199 | 50,529 | 49,760 |
| Charitable activities | | | | | | | | | | |
| Unity initiatives | 419,360 | 33,980 | - | 142,202 | - | 85,499 | 681,041 | 167,270 | 848,311 | 818,088 |
| Advocacy Initiatives | 415,553 | 7,907 | - | 17,970 | - | - | 441,430 | 140,497 | 581,927 | 527,461 |
| Media & Membership | 321,678 | 1,384 | 148,142 | 2,781 | 655 | 2,500 | 477,140 | 151,863 | 629,003 | 611,512 |
| Property Project | - | 11,639 | - | - | - | - | 11,639 | - | 11,639 | 32,635 |
| Transition Fund | - | - | - | - | - | - | - | - | - | 1,056 |
| Support costs | 285,639 | 200,198 | - | - | 35,279 | - | 521,116 | (521,116) | - | - |
| Governance | 19,206 | 5,038 | - | - | 10,400 | - | 34,644 | 11,027 | 45,671 | 45,518 |
| 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 |
| Total resources expended (2013/2014) | 1,537,402 | 245,747 | 192,274 | 143,631 | 44,599 | 52,164 | 2,215,817 | - | 2,215,817 | 2,255,004 |

Staff related costs includes £84,479 (2014: £83,567) in respect of staff expenses, recruitment, welfare and training and £84,861 (2014: £67,097) in respect of amounts paid to contractors who are not employees of the Alliance.

Property, equipment and office expenses includes £88,679 (2014: £77,365) depreciation in respect of buildings and equipment of the Group.

Governance costs in the consolidated statement of financial activities includes the tax charge of £Nil (2014: £10) relating to the liability in The Evangelical Alliance Developments Ltd.

Support 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 2015

6. Net incoming resources for the year

This is stated after charging:

| | 2015 | 2014 |
|-------------------------------------|------------|------------|
| | £ | £ |
| Depreciation | | |
| Owned assets | 88,679 | 77,365 |
| Trustee expenses | 2,941 | 3,195 |
| Trustee remuneration | Nil | Nil |
| Auditors' remuneration - audit fees | 9,000 | 8,800 |
| Auditors' remuneration - other fees | 550 | 500 |
| | <u>550</u> | <u>500</u> |

During the year 12 members of the Board of Trustees received reimbursement for travel expenses (2014: 11).

A Trustees' indemnity premium is permitted by the Memorandum & Articles of Association of the Alliance.

7. Staff costs and numbers

Staff costs were as follows:

| | 2015 | 2014 |
|---------------------------|------------------|------------------|
| | £ | £ |
| Salaries | 1,223,046 | 1,194,505 |
| Social security costs | 107,991 | 108,800 |
| Pension costs | 83,154 | 79,358 |
| Death in service benefits | 5,107 | 4,075 |
| Other staff related costs | 84,479 | 83,567 |
| Payments to contractors | 84,861 | 67,097 |
| | <u>1,588,638</u> | <u>1,537,402</u> |

One employee earned between £60,000 and £65,000 during the year. (2014 - One)

The employer's pension contribution for staff earning over £60,000 was £4,880. (2014 - £4,275)

The cost to the Group of providing pension and death in service benefits during the year ended 31 March 2015 was £88,261 (2014: £83,433). There was an accrual of £10,609 in respect of pension contributions at the year end (2014: £8,278).

Two staff were transferred to Home for Good under T U P E on 1st September 2014.

The Evangelical Alliance

Notes to the financial statements

For the year ended 31 March 2015

7. Staff costs and numbers (continued)

The average number of employees (full-time equivalent) during the year was as follows:

| | 2015 | 2014 |
|--|-------------|-------------|
| | No. | No. |
| Fundraising and publicity | 2.0 | 1.4 |
| Generation of advertising revenue | 1.0 | 1.0 |
| Advocacy Initiatives | 9.9 | 9.1 |
| Unity Initiatives | 8.2 | 9.9 |
| Media & Membership | 9.4 | 9.7 |
| Support team, including transition posts | 7.0 | 7.0 |
| Governance | 0.4 | 0.4 |
| | <u>37.9</u> | <u>38.5</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 £72,249 (2014: £33,164). Of these, £69,749 are included within unity initiatives unrestricted expenditure and £2,500 within Media & Membership unrestricted expenditure. A payment of £17,447 was made to the European Evangelical Alliance (EEA) and a grant of £305 was made to the World Evangelical Alliance. Under the terms of the working arrangement (Note 10) Manchester Network received £10,087 (2014: £10,964). A grant of £2,500 was made to the Churches Media Council.

A Grant of £41,910 was made to Home for Good. This relates to the passing over of income received from Lambeth and Southwark Councils for an Outreach Worker before Home for Good became a separate charity.

Grants of £15,750 were made from restricted funds: All of these were made to Bible and theological colleges to support 11 UK lay ministers in training (2014: £19,000).

A further grant of £9,278 (2014: £7,570) 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 Financial Reporting Standard No. 8, Related Party Disclosures 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 gives a grant (note 8).

The Evangelical Alliance

Notes to the financial statements

For the year ended 31 March 2015

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 and Chairs of Trustees of member organisations.

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

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 agreement.

The Alliance had a working arrangement with the Manchester Network. The Network is a registered charity and has been the local expression of the Alliance in the Manchester area. Church, organisation and personal members were members of both Network and the Alliance and under the terms of the arrangement the Alliance administered membership donations and made a grant of an agreed proportion of monies received to Network. This arrangement ceased on 31st March 2015 when Network ceased to operate.

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.

The Religious Liberty Commission brings together three organisations working on behalf of persecuted Christians to speak with one voice and encourage the UK church to support persecuted Christians.

There are working arrangements with three organisations working with Evangelical Alliance on the 21st Century Evangelicals research project. This is known as the research club.

The Alliance had entered into a working arrangement with Care for the Family and the Churches' Child Protection Advisory Service for the Home for Good Initiative. The arrangement was transferred from the Evangelical Alliance to Home for Good when they became a separate organisation on 1st September 2014.

The Evangelical Alliance

Notes to the financial statements

For the year ended 31 March 2015

11. Tangible fixed assets

| The Group & The Alliance | Interests in long leasehold property £ | Office equipment £ | Total £ |
|--------------------------|---|--------------------------|-------------------------|
| COST/VALUATION | | | |
| At 1 April 2014 | 2,257,523 | 360,135 | 2,617,658 |
| Additions in the year | <u>23,936</u> | <u>11,869</u> | <u>35,805</u> |
| | 2,281,459 | 372,004 | 2,653,463 |
| DEPRECIATION | | | |
| At 1 April 2014 | 45,150 | 235,939 | 281,089 |
| Charge for the year | <u>45,150</u> | <u>43,529</u> | <u>88,679</u> |
| At 31 March 2015 | <u>90,300</u> | <u>279,468</u> | <u>369,768</u> |
| NET BOOK VALUE | | | |
| At 31 March 2015 | <u>2,191,159</u> | <u>92,536</u> | <u>2,283,695</u> |
| At 31 March 2014 | <u>2,212,373</u> | <u>124,196</u> | <u>2,336,569</u> |

12. Investments

| | At 31 March 2015 £ | At 31 March 2014 £ |
|--------------------------------------|--------------------------|--------------------------|
| COIF Charities Fixed Investment Fund | 11,514 | 10,176 |
| Shares in Subsidiary Undertakings | <u>2</u> | <u>2</u> |
| At 31 March | <u>11,516</u> | <u>10,178</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 2015

14. Debtors

| | The Group | | The Alliance | |
|------------------------------------|----------------|---------|---------------|---------|
| | 2015 | 2014 | 2015 | 2014 |
| | £ | £ | £ | £ |
| Tax Recoverable | 25,393 | 20,677 | 18,971 | 14,700 |
| Amounts owed by trading subsidiary | - | - | 685 | 467 |
| Trade debtors | 9,035 | 37,482 | 3,142 | 30,605 |
| Other debtors | 28,851 | 76,700 | 28,851 | 76,700 |
| Prepayments | 37,002 | 32,620 | 37,002 | 32,620 |
| | 100,281 | 167,479 | 88,651 | 155,092 |

15. Creditors : amounts falling due within one year

| | The Group | | The Alliance | |
|---------------------------|----------------|---------|----------------|---------|
| | 2015 | 2014 | 2015 | 2014 |
| | £ | £ | £ | £ |
| PAYE and NI contributions | 28,949 | 34,019 | 28,949 | 34,019 |
| Corporation Tax & VAT | - | 1,844 | - | 1,836 |
| Advance income | 355 | 55,042 | 355 | 55,042 |
| Trade creditors | 100,963 | 53,147 | 100,963 | 51,336 |
| Accruals | 38,241 | 51,287 | 36,241 | 49,387 |
| Other creditors | 6,917 | 31,309 | 6,917 | 31,309 |
| | 175,425 | 226,648 | 173,425 | 222,929 |

16. Analysis of net assets between funds of the Group

| | Designated funds | General fund | Restricted funds | Total |
|--------------------|------------------|----------------|------------------|------------------|
| | £ | £ | £ | £ |
| Fixed Assets | 2,283,695 | - | - | 2,283,695 |
| Investments | - | 11,514 | - | 11,514 |
| Net current assets | 67,931 | 270,699 | 239,505 | 578,135 |
| Net assets | 2,351,626 | 282,213 | 239,505 | 2,873,344 |

It is the Net Current Assets plus Investments General Fund balance of £282,213, 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 73 members at 31 March 2015 (2014: 85).

The Evangelical Alliance

Notes to the financial statements

For the year ended 31 March 2015

18. Consolidated movement in funds

| | At 1 April 2014 | Incoming Resources | Outgoing Resources | Gains and Losses | Transfers | 2015 Total |
|--|------------------|--------------------|--------------------|------------------|----------------|------------------|
| | £ | £ | £ | £ | £ | £ |
| Advocacy | - | 20,687 | (20,687) | - | - | - |
| CICC | 12,476 | 16,784 | (15,782) | - | - | 13,478 |
| CICC Houghton Fund | 3,999 | 17 | - | - | - | 4,016 |
| Coalition on Drugs | 3,337 | 14 | - | - | - | 3,351 |
| Forum for Change | 1,047 | - | - | - | - | 1,047 |
| Gather | - | 22,500 | (22,500) | - | - | - |
| GWEINI | 593 | 3,949 | (9,192) | - | 7,829 | 3,179 |
| Home for Good | - | 11,500 | (10,196) | - | (1,304) | - |
| H M Gooch Memorial Fund | 12,557 | 53 | - | - | (53) | 12,557 |
| Northern Ireland | - | 40,000 | (40,000) | - | - | - |
| IT Fund | 11,356 | 102,500 | (6,818) | - | (13,700) | 93,338 |
| Jewels in His Crown | - | 2,662 | - | - | - | 2,662 |
| Public Leadership | - | 46,375 | (46,375) | - | - | - |
| Scotland | - | 17,894 | (17,894) | - | - | - |
| SCYWF | 11,574 | 53,514 | (48,724) | - | (2,060) | 14,304 |
| South Asia Forum | 37,792 | 24,111 | (40,117) | - | 9,278 | 31,064 |
| Student Bursary Fund | 2,790 | 20,020 | (15,939) | - | (811) | 6,060 |
| SERVE | 3,500 | - | (3,500) | - | - | - |
| The Net, Cardiff | 3,845 | 6,500 | (5,224) | - | (2,929) | 2,192 |
| Threads | - | 27,346 | (27,346) | - | - | - |
| Wales | - | 540 | (540) | - | - | - |
| Restricted Property Project Fund | * 62,646 | 1,250 | (11,639) | - | - | 52,257 |
| Total restricted funds | 167,512 | 418,216 | (342,473) | - | (3,750) | 239,505 |
| Designated Fixed Asset Funds | * 2,336,569 | - | - | - | (52,874) | 2,283,695 |
| Designated Research Club Fund | - | 15,742 | (24,402) | - | 11,724 | 3,064 |
| Designated Development Fund | 62,644 | - | (120,684) | - | 104,276 | 46,236 |
| Designated Non-Charitable Trading Fund | 26,476 | 144,517 | (152,362) | - | - | 18,631 |
| General Funds | 233,415 | 1,792,462 | (1,685,627) | 1,339 | (59,376) | 282,213 |
| Total unrestricted funds | 2,659,104 | 1,952,721 | (1,983,075) | 1,339 | 3,750 | 2,633,839 |
| Total funds | 2,826,616 | 2,370,937 | (2,325,548) | 1,339 | - | 2,873,344 |

The Evangelical Alliance

Notes to the financial statements

For the year ended 31 March 2015

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 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.

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 Home for Good fund held grants and donations given before Home for Good became a separate charity on 1 September 2014. A working arrangement between the Alliance and Home for Good covers the transition and the ongoing relationship between the two organisations.

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.

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.

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 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 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 Evangelical Alliance

Notes to the financial statements

For the year ended 31 March 2015

18. Consolidated movement in funds (continued)

Purpose of restricted funds and related working arrangements (continued)

The South Asian Forum (SAF) provides a forum for South Asian Christians in the UK. The Alliance has a working arrangement for SAF. 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. During the year, SAF employed a part time National Co-ordinator and project manager. SAF is operated as a restricted fund of the Alliance.

The Student Bursary Fund provides support for lay ministers in training at Bible and Theological Colleges. These funds are administered on behalf of the Jerusalem Trust.

SERVE was an alliance of Christian organisations which resource and equip Christians who are passionate about community mission while representing the Christian voluntary sector to local and national government. This was run under the legal umbrella of the Evangelical Alliance and a working arrangement with Tearfund, The Lighthouse Group, HOPE, CARE, Ascension Trust, Prospects and Birmingham Christian Centre was signed in 2012. The initiative was transferred to Tearfund in 2014.

The Net Cardiff Fund is to fund the salary costs of a worker for an initiative supporting Cardiff churches.

The Property Project is the project of the move to our new premises in Copenhagen Street providing 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.

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.

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.

Transfers from restricted funds represent charges 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 ref Note 11.

The Research Club Fund is for work on the 21st Century Evangelicals research project. Financial contributions are made by organisations that are part of the Research Club.

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 would be for a maximum of three years, and would provide an opportunity to encourage entrepreneurship, creativity and flexibility.

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.

