

#ELS2022

Mission Hearted

FINANCE REPORTS



ELIM LEADERS SUMMIT 2022
10-12 MAY 2022 | HARROGATE CONVENTION CENTRE



**ELIM FOURSQUARE GOSPEL
ALLIANCE**

**CONSOLIDATED
FINANCIAL STATEMENTS
YEAR ENDED 30 September 2021**

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LEGAL AND ADMINISTRATIVE DETAILS

Charity registration

England and Wales 251549
Scotland SCO37754

Registered Office

De Walden Rd
West Malvern
Worcestershire
WR14 4DF

Property Trustee

The Elim Trust Corporation

Directors of the Elim Trust Corporation

Rev S Blount	Rev D Campbell
Rev C P Cartwright (Chairman)	Rev D Clark
Rev D De Souza	Rev C W Dye resigned June 2021
Rev J J Glass	Rev A P Hudson
Rev E Michael	Rev R Millar
Rev S Ball	

National Leadership Team and Trustees

Rev S Blount	Rev D Campbell
Rev C P Cartwright (Chairman)	Rev D Clark
Rev D De Souza	Rev C W Dye resigned June 2021
Rev J J Glass	Rev A P Hudson
Rev E Michael	
Rev S Ball	

Principal Officers

General Superintendent	Rev Chris Cartwright
Director of Ministry	Rev Stuart Blount
International Missions Director	Rev Iain Hesketh
Irish Superintendent	Rev Edwin Michael
Director of Training	Rev David Newton
Evangelism Director	Rev Gary Gibbs
National Director of Youth Ministries	Rev Tim Alford
Executive Director	Rev Olivia Amartey
National Administrator	Rev Sarah Bale
Finance Director – Retiring 2022	Rev R Millar
Finance Director – Appointed 14/02/2022	Kumar Devabalan

LEGAL AND ADMINISTRATIVE DETAILS

Bankers

Lloyds Bank Plc
130 High Street
CHELTENHAM
Gloucestershire
GL50 1EW

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

Solicitors

Anthony Collins Solicitors LLP
134 Edmund St
Birmingham
B3 2ES

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

Auditors

Moore Kingston Smith LLP
Chartered Accountants and Business Advisors
Devonshire House
60 Goswell Rd
London
EC1M 7AD

Other advisers

Pension Fund Solicitors

Maria C. Riccio
Setfords Solicitors
Jenner House
1a Jenner Road
Guildford
GU1 3PH

Pension Fund Administrators

Spence & Partners Limited
Linen Loft
27-37 Adelaide Street
Belfast
BT2 8FE

Pension Fund Actuary

Richard Smith
Spence & Partners Limited
46 New Broad Street
London
EC2M 1JH

Solicitors in Scotland

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

Solicitors in Northern Ireland

Cunningham and Dickey
18 May Street
BELFAST
County Antrim
BT1 4NL

TRUSTEES REPORT

Constitution and legal status

The constitution of the Elim Foursquare Gospel Alliance (“the Alliance”) was established by a Deed Poll registered on 10 April 1934, as amended by Deeds of Variation dated 14 January 1942, 12 September 2007, 25 May 2016 and a Deed disclosing the Irish Constitution in 1942. The Alliance is a registered charity in England and Wales (charity registration number 251549) and in Scotland (SCO37754).

Objectives and policies

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

As a movement, our four main strategic priorities at the core of our DNA are:

MAKING DISCIPLES

To plant the gospel of Jesus Christ in a relevant way in individual lives. To establish one family of authentic people embedded in their communities to gather, recruit and equip a network of positive disciples with a shared confession that Jesus Christ is Lord and a personal commitment to advance the Kingdom and make more lifelong disciples.

PLANTING AND GROWING CHURCHES

To facilitate the Movement’s ever-increasing and effective planting of Elim churches worldwide, with fully trained church planters inspiring more people to plant churches and increasing our positive impact in the communities we serve. Our mission is to resource ONE movement to be the best it can be at evangelism and church planting at a time when the church is more marginalised in our society than ever before

REACHING NATIONS

To be an international, disciple-making Movement with strategies for church-planting and leadership development in every nation. There is a stirring for Elim to deliver a global message of hope through our shared confession that Jesus Christ is Lord, and our personal commitment to nurture and grow His universal family where we are in our unique communities, towns and cities, in the UK and overseas. We work together to break down every barrier to minister to all people from all nations at local, national and international level

TRAINING AND DEVELOPING LEADERS

To train, develop and support leaders across the Elim Movement and beyond, seeking to develop servant leaders who are committed to working on behalf of others and have a positive contribution to make in wider community life. We aim to discover, develop and deploy generations of transformational leaders across Elim, who are willing to work collaboratively and united in the purpose of one movement and one mission

For more extensive details on our vision and performance relative to these objectives we would refer you to the reports for National Departments as published separately. Additionally, we would encourage you to access the Elim website using the following link. <https://www.elim.org.uk>

Public Benefit

The Trustees have considered the Charity Commission’s guidelines on public benefit and have reviewed the charity’s activities to ensure that they provide benefit to the public. In shaping and planning our activities the trustees always ensure that the programmes we undertake are in line with our main objective. We share with other Christian denominations a core belief in the gospel of Jesus Christ and in the personal transformation that results from believing in and following Him. Our churches and members are committed not just to speaking about Him but to demonstrating Christ’s love in practical action and service within their neighbourhoods and communities.

ELIM FOURSQUARE GOSPEL ALLIANCE
FINANCIAL STATEMENTS YEAR ENDED 30 September 2021

Values

Consistently MISSIONAL - intentional, adaptable, focused on Elim's four main strategic priorities
Courageous INTEGRITY - honest, trustworthy, consistent, discreet *"Doing the right thing, even when nobody is watching."* C. S. Lewis
Courteous SERVICE - politely passionate, humble, generous
Clear ACCOUNTABILITY - transparent stewardship, clear communication, excellent work ethic
Creative TEAMWORK - innovative, 'can do,' collaborative

Branches, connected trusts and subsidiary companies

The following entities are connected with Elim Foursquare Gospel Alliance:

Name	Country of Incorporation	Relationship	Address	Activity
Elim Church Incorporated	England & Wales	Common Directors	Elim International Centre De Walden Rd West Malvern WR14 4DF	Acts as an association of churches to promote the Christian religion
Elim Trust Corporation	England & Wales	Common Directors / Trustee	Elim International Centre De Walden Rd West Malvern WR14 4DF	Elim Trust Corporation acts as a Property Trustee for Elim Foursquare Gospel Alliance.
Elim Pentecostal Alliance Council	Northern Ireland	Common Directors / Trustee	Elim Corporate Office 14 Charleston Ave Portadown N Ireland BT63 5ZF	Trustee for certain properties in Northern Ireland
EPC Services Limited	England & Wales	Wholly owned subsidiary	Elim International Centre De Walden Rd West Malvern WR14 4DF	Carries out any trading aspect of the Alliance with the major activity being the Elim Leadership Summit

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

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

Investments / management of resources

As the major demand for the Alliance is for property, the majority of resources are applied toward the acquisition and capital renovation programs on church buildings and manses for our ministers. Surplus funds across the charity will be invested internally via Elim Loans Administration towards these capital projects.

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

Reserves Policy

The Reserves as at the 30 September 2021 are detailed on the Balance Sheet on page 30.

The Alliance continues to hold general reserves, of which a significant proportion relates to funds applied in the provision of fixed assets, as an essential resource to the accommodation of local church activities.

The general free reserves are maintained in order to secure the future operations of the charity, in recognition of the fact that its income mainly comes from voluntary sources, but also that 22% of income is generated by Ancillary programs. Historically voluntary income has been very stable due to the commitment of support from church members and friends. However, the trustees seek to provide for a potential impact of the cashless society and the ongoing development of alternative methods of receiving donations, including digital resources.

To maintain the basic level on current activities for a period between 3 and 6 months, and fulfil annual obligations on liabilities our immediate target for free reserves will be a range of £15m to £30m. As at the financial year end general reserves increased to £28.2m (2020: £10.6m).

This is largely due to the additional commitment to increase the contingent asset charge over Alliance properties granted to the Elim Ministers Pension Fund as part of an agreed Recovery Plan

The ongoing impact of the **Covid-19** pandemic and the statutory restrictions is apparent in the results presented in these statements. Voluntary income has been fairly consistent with the adoption of a variety of digital options and our primary core income by way of gifts and offerings has been sustained at a level where cash reserves have increased over the lock-down period introduced in March 2021.

Income from childcare programs and secondary income from hire of halls and events has been most seriously affected though income from furlough grants enabled most relevant staff to be retained. The increased reserves will be vital in maintaining support for these projects while we endeavour to re-establish levels of activity.

Payment Policy

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

Funding

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

Communication and Involvement of Members

The Alliance has continued its practice of maintaining communication to churches and their ministers and officers on matters affecting them in fulfilment of their roles, and financial and statutory factors impacting the Movement as a charity. This has escalated considerably since the commencement of lockdown, including many online events, workshops and seminars to provide encouragement and practical guidance.

The publication of Direction Magazine has been revived following a temporary suspension due to Covid-19 restrictions imposed on the publishers.

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

Our central website www.elim.org.uk is continually updated, and has proved particularly vital in dissemination of practical advice and guidance during the pandemic.

All the central departments publish their own site, as do most of our churches throughout the UK.

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

The General Superintendent maintains regular communications on major issues to ministers, church elders, and members.

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

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

The activities of the Alliance would be impossible without the willing and generous participation of its members and friends. It would be impossible to number those involved, but research has shown that at least 30% of members will be directly involved in regularly sharing responsibilities in the activities of the Church. We would place on record our wholehearted appreciation for this ongoing support and look forward with our members to enjoying the fruit of their labours.

GOVERNANCE

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

National Leadership Team: The members of the National Leadership Team listed on page 2 are the Trustees of the Alliance and served throughout the year unless a termination of office or appointment date has been reported.

The National Leadership Team (NLT) is appointed from among members of the Conference. The General Superintendent is nominated by the NLT of the day and submitted to Conference for a confirmatory vote. The individual so appointed serves for four years but is eligible for re-election. The General Superintendent nominates the members of the NLT on a rotational basis and these nominees are again subject to a confirmatory vote of the Conference, and successful candidates serve for four years. All the Ministers, and Lay Representatives from each Church, have votes in the election, which is conducted by postal ballot. The NLT meet at least five times per annum and are responsible for ensuring that procedures and working arrangements of the Constitution are applied in the activities of the Alliance and in the course of administration of the affairs of the Alliance. On appointment any new trustee is required to undergo an induction program to ensure awareness of responsibilities and current issues and circumstances, including sessions with charity executives and officers. Each year trustees are provided with ongoing training including input on statutory and regulatory developments from professional advisors.

The Elim Trust Corporation, a company limited by guarantee, was legally constituted to serve as a trustee for the Alliance in matters of property and business. A few properties are still held in trust for the Alliance by local trustees under the terms of a Model Trust Deed, and a further few properties are held under the auspices of the Elim Pentecostal Alliance Council. Most of these properties have been transferred under the auspices of the Elim Trust Corporation, and the process will continue for the remainder. The members of the National Leadership Team listed on page 2 and the Finance Director are the directors and served throughout the year unless a termination of office or appointment date has been reported. The Executive Director serves as Company Secretary

Officers and Committees, accountable to the NLT, are also appointed to ensure and assist with the smooth running of the charity.

Audit & Governance Committee (AGC): This committee operates under guidelines established by the Financial Reporting Council (FRC). Members are appointed by the National Leadership Team, to whom they will seek to provide guidance and assurance on processes relative to management of corporate risk and governance.

Finance Board: We are currently in the final stages of introducing a new Finance Board. During the past year a transitional Finance Board has been in place reviewing Terms of Reference and proposed modus operandi. The responsibilities of the Finance Board are to provide direction to the NLT for fiscal responsibility by overseeing effective financial planning, financial control and financial reporting in addition to effective oversight of the financial and operational performance of EFGA and advise the Trustees on the financial health, potential threats, and financial opportunities regarding the Charity. The Board will consist of four voluntary, professional, independent members appointed by the NLT, General Superintendent, Executive Director, Finance Director, and Chair of Pension Board.

Management Board: This body is constituted by Conference and consists of the three members of the National Leadership Team, the Executive Director, the Administrator, the Finance Director and a minimum of three Lay appointments approved by the National Leadership Team. The Board is responsible for supervision and monitoring the management and application of the charity's property assets. Currently the role of this board is under review with proposals being considered to introduce separate Finance Board, at which point this board will become the Property Board. Relevant formal protocol will be progressed at the annual conference in May 2022. This will provide opportunity to engage more of the skills and expertise from the lay-persons of the Alliance and bring further focus and clarity to various aspects of management and strategy of the Charity's finance and assets.

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

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

Salary Committee: Salaries for the General Superintendent and Regional Leaders are reviewed and set by the Salary Committee, which currently consists of the independent members serving on the transitional Finance Board. The NLT are responsible managing the salary payments for executive officers and heads of national departments. The Salary Committee also participate in reviews and recommendations on remuneration level for those serving as ministers in Elim churches and the relevant pensionable salary scales.

Remuneration of Trustees and related Parties

No salary is paid for holding position as a member of the NLT and therefore ex officio as a trustee of the Alliance. Since qualification for appointment requires that candidates must be credentialed ministers and serving in full time roles all the individuals will be in receipt of payment of remuneration solely related to that function and not as trustees. In line with SORP requirements we have included details of those payments in the schedule below.

ELIM FOURSQUARE GOSPEL ALLIANCE
FINANCIAL STATEMENTS YEAR ENDED 30 September 2021

Summary of Salaried roles held by Trustees							
	2021	2021	2021	2020	2020	2020	
Name	Salary	Employers N.I	Pension	Salary	Employers N.I	Pension	Position salaried
Chris Cartwright	87,567	10,868	5,783	83,567	10,331	5,564	Chris serves as General Superintendent, the most senior full time position in Elim, and global leader of the charity
Stuart Blount	64,076	7,626	5,262	64,076	7,641	5,184	Stuart is serving as national Director of Ministry
David Campbell	64,076	7,475	5,262	64,076	7,475	5,184	Serves as Regional Leader for the Metropolitan East and West Regions
Duncan Clark	58,500	-	5,262	58,500	-	5,184	Serves as Senior Minister of our church at Coventry
Colin Dye	100,972	-	-	98,216	-	-	Serves as Senior Minister of our largest church, Kensington Temple in London and also as Regional Leader of the London City Region
James Glass	57,998	5,719	5,262	39,766	-	5,184	Serves as Senior Minister of our church in Glasgow
Kevin Peat	5,340	636	-	64,076	7,641	5,184	Serves as Regional Leader for Scotland and North West Regions
Edwin Michael	53,694	-	5,262	48,388	-	5,184	Serves as Superintendent of Elim Ireland.
Paul Hudson	65,293	7,794	5,262	65,293	7,809	5,184	Serves as Regional Leader for Midlands and North East Regions
Dominic De Souza	49,085	-	5,184	49,085	-	5,184	Serves as Senior minister at City Church. Cardiff
Steve Ball	64,074	7,626	5,262	64,074	7,641	5,013	Serves as Regional Leader for the Wales and Southern and South West Regions
	670,675	47,744	47,801	699,115	48,538	52,049	
Total per note 8 to the accounts	766,220			799,702			
Trustee - related Parties	2021			2020			
Name	Salary			Salary			Position salaried
Amanda Dye	50,000	-		50,000	-		Full time senior administration and ministry role in the church at Kensington Temple, London
Amanda Campbell	11,181			10,980			Part-time role as leader of Lifelink within the Elim International Missions department.
Beryl Glass				6,206			Part-time administrative role in the church in Glasgow since 2011, prior to her husband becoming a trustee. Now also a credentialed minister in training.
Margaret Michael	5,529			5,529			Part-time administration in Elim Ireland office
Catherine De Souza	26,178			26,178			Minister at City Church. Cardiff
Margaret Peat				7,800			Part-time administrative and support role for Scotland and North West Regions
Total per note 8 to the accounts	92,888			106,694			

Disabled employees

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

It is the policy of the charity that training, career development and promotion opportunities should be available to all employees.

Risk Management

The trustees recognise that the scope of our ministry and activity brings considerable responsibility and take seriously the need to ensure that the testimony of the Alliance is maintained at a high level. The executive officers together with the Audit and Governance Committee are commissioned to a perennial review of risk elements to ensure that the major risks have been identified and the relevant processes are in place to manage those risks as far as humanly possible.

Safeguarding:

Safeguarding the employees, volunteers and the vulnerable in our churches, activities and within the communities in which we work, both here and overseas is of paramount importance and reflects the nature of Jesus Christ.

To ensure that safeguarding is fully supported and maintained policies and procedures have been developed and presented so as to be accessible and understood by all those that have a legitimate interest in the welfare of our children, young people and vulnerable adults. Our formal activities will be operated in line with this policy and support at a regional and national level will always be available to ensure effective, sensitive and robust implementation. The policy and guidelines are published on ElimNET with the latest reviews conducted during the year.

Financial Management:

We are mindful of the trust assigned to us when church members and friends commit to support us financially. It is important that we do not jeopardise our main source of income through voluntary donations and maintain a solid case for support. Financial protocols and disciplines have been well established, and performance at all levels is a specific matter of verification during annual audit process. Discipline in process is critical in maintaining the high integrity levels which are foundational to encouraging the trust of our supporters.

Elim is registered to the anti-fraud campaign with CFG. Fraud prevention videos have been obtained from our bankers and made available on ElimNET to all church leaders. Staff at EIC have received training in fraud recognition and responses.

During the pandemic we have seen a very positive move from our donors and supporters to adopt a variety of digital options to enable their giving. This has greatly diluted the impact to such a degree that general income in some churches actually increased. It is important that we continue to review and develop these digital resources to ensure a smooth process for donations to continue.

The management of the Central Funds is based on a comprehensive budget reviewed annual by the NLT and churches are encouraged to operate on similar principles.

Expenditure on major capital projects across the Alliance is previewed for approval by the Management Board. Following the recent extensive review of the role and responsibilities of the Board, the membership has been extended to include individuals with expertise in property management. The brief of the Board is to review applications on Capital projects as to context, concept and costs.

During the year a Transitional Elim Finance Board met regularly to develop a formal structure for the new Finance Board. Individuals with extensive business experience and qualifications have been recruited to serve the Alliance and the NLT on financial strategy and operations. Formal proposals will be presented at the 2022 Conference.

Property Ownership

As Elim is a single entity charity it has exposure and responsibility across a wide spectrum of compliance requirements related to property ownership. Detailed policies with relevant operational guidance are provided on ElimNET and reviewed by the Management Board. During this year the Board reviewed and published an updated version of the Property Handbook, including guidance on application for approval on major projects. Major property projects require approval from this Board, who consider implications on condition, structure, planning as well as finances. Health and Safety risk assessment policies and guidance is provided to all the churches and monitored and updated by the Elim Administrator. Elim has negotiated insurance cover which addresses all areas of liability and protection for its assets.

Data Protection

Elim has engaged a dedicated service provider to monitor and manage the processes for handling information across the wide spectrum of charity activity. Established practices and protocols are regularly reviewed to strengthen compliance with improved understanding of the evolving legislation. The Privacy Policy is published on our main central website.

We are also alert to the risk of cyber-attack on data held throughout the charity. Our central IT department monitors systems very closely and resources have been installed to defend against attack and protect the information held. Churches are advised with recommendations on options and practice on how to protect local data.

General

Alongside these major areas of sensitivity, which have potential subsequential financial risk Elim continues to monitor all operation protocols and processes. Seeking to ensure best practice across the many aspects of national and international ministry, we maintain a framework to receive and provide support including the following:

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

Grant Policy

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

Policy on funding of overseas activities

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

Payments can only be made to subsequently approved organisations and individuals, with all funds to third parties overseas being processed through the offices of the International Missions and subject to internal audit procedures.

Subsidiaries

EPC Services Ltd exists to provide for the administration of those central commercial activities which have been classified as trading and therefore subject to tax and VAT. Elim Leadership Summit is the major operation under its governance.

Fundraising Policy

The majority of our funds arise from voluntary donations received in the form of freewill church offerings including Gift aid donations. In recent years we have been very conscious of the growth of the “cashless society” and the “disappearing chequebook”. The onset of Covid19 confirmed the need to provide alternative facilities for members and supporters to make their donations.

We seek to provide access to viable alternative resources for local church and national ministries. These are mainly in the form of online digital options which enable direct donations via church websites, Paythru mobile text giving and the app-based donor resource from GIVT. While we advise our donors with these options, we do not promote them via any direct marketing activity. It is a tremendous encouragement to see a substantial increase in the use of these digital options and we anticipate that many donors will continue to access these facilities following a return to a more normal lifestyle

Elim is a member of the Institute of Fundraising and registered with the Fundraising Regulator, receiving monthly reports relative to any complaints – no complaints were reported last year nor received at our central denominational offices in Malvern.

Legacy Elim is a low cost will-writing scheme promoted via local churches and administered as a confidential independent advice service to members by Frodsham solicitors.

FINANCE DIRECTOR'S REPORT - REVIEW OF THE YEAR

The impact of Covid 19 has now become a familiar, albeit unwelcome factor at all levels of global, national, local, and personal lifestyle. The continual evolution of new variants has introduced a seemingly permanent uncertainty for the present and indefinite future.

For Elim it has brought a new sense of urgency to be “about our Father’s business” and remind our world and its communities of the hope and deliverance that the “Gospel of Jesus Christ” offers in the face of a seemingly invincible threat.

We are continually encouraged by how our churches and fellowships have been committed and active in so many expressions of ministry, outreach, support and care in communities across the nation. Indeed, through the persistent service of Elim International Missions and our missionaries, the loving concern of Elim people has touched many parts of our world.

The National Leadership Team continued throughout the year to meet regularly and keep churches informed of relevant updated guidance in the face of a perpetually changing environment. This has become more critical as we seek to come out from under the restrictive demands and recover aspects of “normal” church life.

Congregations are slowly “coming back to church” in person, but the online streaming of events continue to serve an ongoing demand. This would include online national events for evangelism, youth, prayer, administration and even our annual Elim Leadership Summit and Conference.

There is an evident gradual return of those community based programs and activities which were unable to function at all particularly during the past year, though we anticipate that we will be well into 2023 before finances recover to pre-lockdown levels. 2021 was our first full year of operating under pandemic conditions and this is apparent in the financial performance for the year.

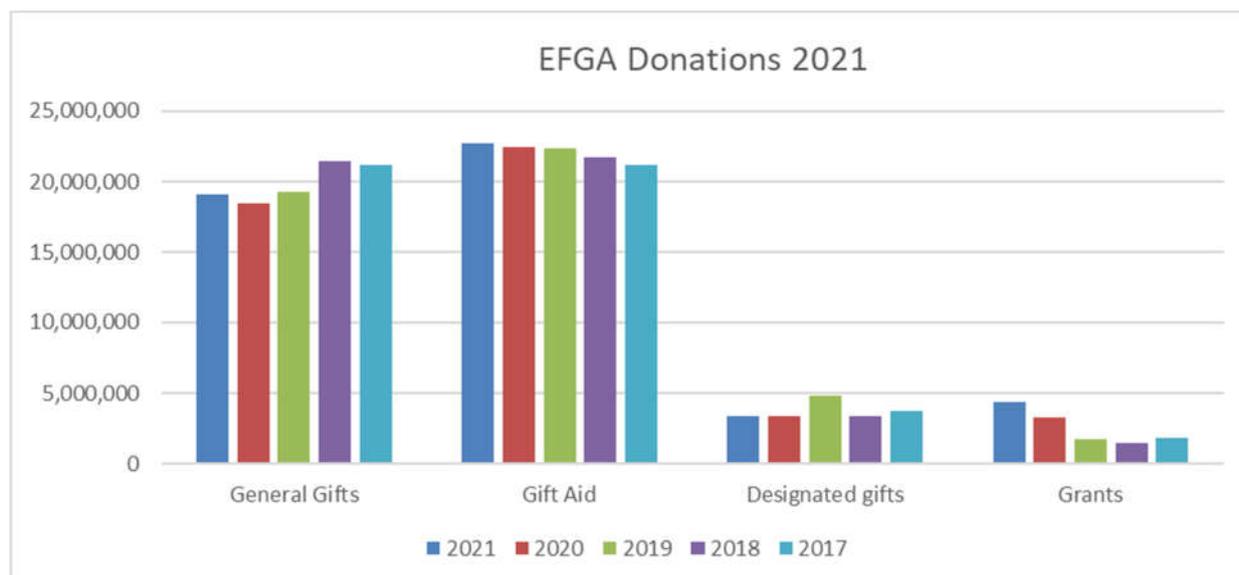
We are grateful that so many of our supporters responded so quickly to our promotion of alternative methods for making their donations. For many churches, income has been maintained by an increased use of digital donation options, namely Paythru Text giving and GIVT, a new app-based facility. A number have also benefited from a rise in members registering Standing Orders to the church.

Towards the end of 2021, we also began to receive the initial payments by way of compensation arising from our Loss of Income insurance. The general attitude of co-operation from Integrity insurance company has been much appreciated. To date almost £2m has been released in settlement of claims.

Overall charity income for the year of £64.6m (2020: £65.9m) reflected a reduction of 2% on the previous year.

Note 1 from the Financial Statements (reproduced below) confirms an increase of 4% in Voluntary Income including grants. The amount for grants increased due to the generous extension of the period for Furlough grants by the government.

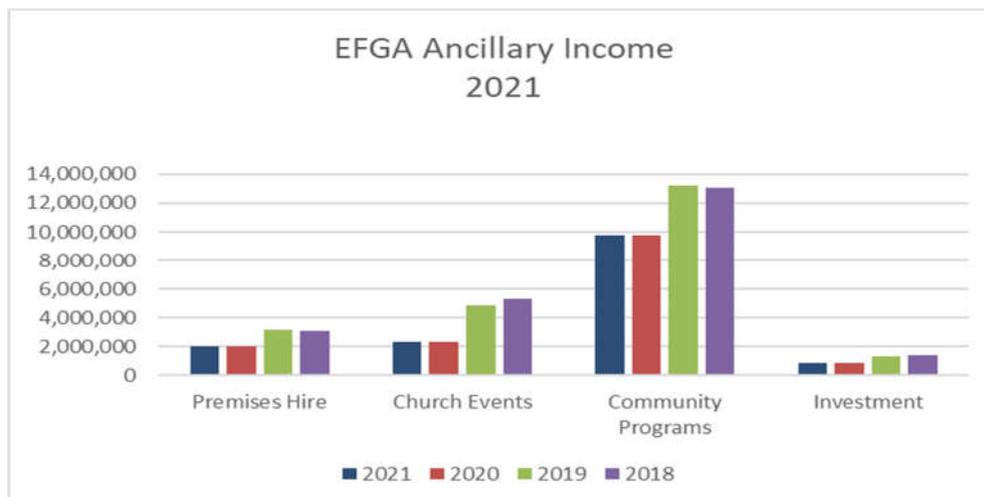
		2021	2020
		£	£
1. Voluntary Income			
General Gifts and Offerings		19,138,710	18,500,897
Gift Aid donations and tax rebate		22,742,364	22,471,171
Designated gifts and offerings		2,244,645	2,636,318
Legacies		383,046	344,206
Grants received	1a	4,329,933	3,328,596
Other donations		740,372	404,554
		49,579,070	47,685,742



As for the previous year – 2020 - most community programs such as nurseries, other childcare, luncheon clubs etc were unable to function at the beginning of the year but some began to recover following the easing of Lockdown restrictions. This also benefited income from “hire of premises” as churches were able to open their doors again. Nurseries and childcare suffered a 20% loss, though the end of restrictions may have come too late to allow improvement in the year, with the new term not starting until September. Centrally at Malvern, our major losses again reflected the loss of a full summer season income for the Conference Centre and the cancellation of ELS2021 and Limitless Festival

	2021	2020
2. Income from ancillary programs		
Hire of premises+	2,054,976	2,413,782
Church Seminars etc	552,557	1,283,435
Ministry and Skills training	1,441,501	1,841,480
Coffee shops	200,775	296,338
Bookrooms	165,819	93,296
Charity shops	393,940	470,433
Foodbanks	478,826	400,697
Community Programs	1,137,089	1,385,173
Childcare programs	4,163,423	5,213,464
Nursing Homes	3,209,001	3,419,202
Other ancillary activities	204,732	81,324
	14,002,639	16,898,624

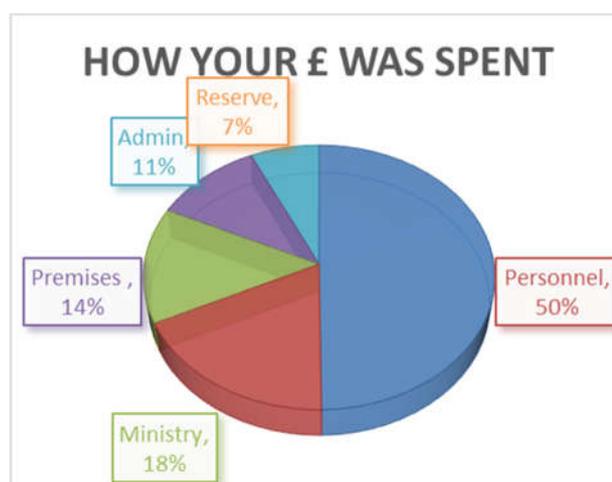
This reduction in Ancillary Income is defined in Note 2 from the Financial statements. The loss of income for these activities was almost 17%, though this was an improvement of 3% on 2020. The Nursing Homes in Ireland, which remained operational throughout the year, and the support for the Foodbank ministries continued to be strong sources of income. Interestingly Bookshop income increased by almost 80%.



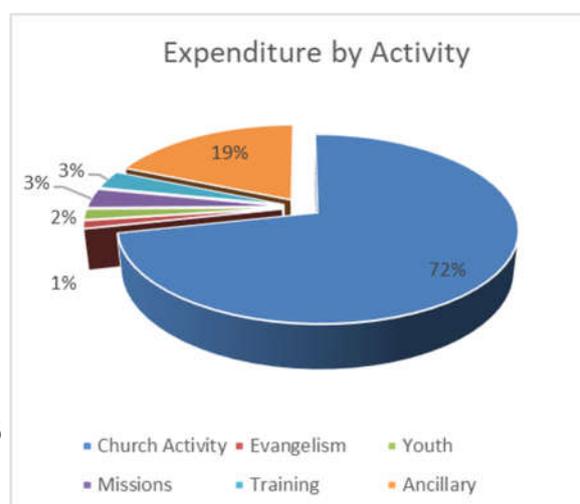
Overall expenditure at £59.9m (2020: £62.9m) - a 5% reduction on the previous year

This still reflects a commitment level at 93% of total income is applied towards our charitable objective to spread the Good News of Jesus in word and deed.

6a Summary by Costs	
Personnel costs	32,687,163
UK Events and ministry pr	4,211,758
UK ancillary and commun	2,672,212
Overseas ministry	
Training and development	
Literature and material	169,258
Premises costs	7,129,365
Utilities costs	1,790,869
Equipment costs	1,961,541
Office and administratio	1,317,245
Grants Made	3,871,130
Governance costs	1,234,434
Interest Costs	2,365,351



Summary by Activity	
Church Activity	43,249,065
Evangelism	773,376
Youth	1,082,440
Missions	1,983,313
Training	1,851,358
Ancillary	10,931,391
Total	59,870,943



ELIM FOURSQUARE GOSPEL ALLIANCE
FINANCIAL STATEMENTS YEAR ENDED 30 September 2021

At the end of the year Elim had 1522 (2020: 1545) people on the payroll. We also confirm our deep gratitude to the thousands of individuals throughout the movement who volunteer and help deliver a wide range of service, particularly during the present difficulties. Please see note 8 in the Statements

Staff roles	Number	
	2021	2020
Church and ministry staff	603	600
Youth Ministry	105	106
Administration	298	297
Care - Nursing and childcare	226	252
Community Programs	146	153
Property Services	144	137
	1,522	1,545

CONSOLIDATED BALANCE SHEET - see chart at the end of this section

The following balance sheet confirms the ongoing solidity of the Alliance but also the fact that we still have considerable liabilities on property loans and the pension fund which we must continue to address.

The overall Reserves of the Alliance have again improved, reflecting an incredible consistency of growth even through periods of general economic difficulties. The main strength of the Alliance resides in its **Fixed Assets** value of £197m (2020: (£201.7m). While the value appears to have taken a small downturn this year, that is largely due to a drop of £1.3m in the value of an investment property and the ongoing application of an annual depreciation of just over £1.2m. we also received repayments of £1.7m against a few loans advances. In contrast a few churches have taken the opportunity to refurbish their buildings and update utility and media systems.

The FRS valuation for **Pension Fund liabilities** has improved to £30m a slight improvement from the 2020 level of £31m. As we regularly comment, this value is calculated on parameters dictated by government statute. Our triennial actuarial valuation still proclaims a shortfall though at much lower level of £11.8m. Following a stringent review of the pension shortfall Recovery Plan, with legal and actuarial advice, benefit levels were reduced in order to help comply with regulatory expectations.

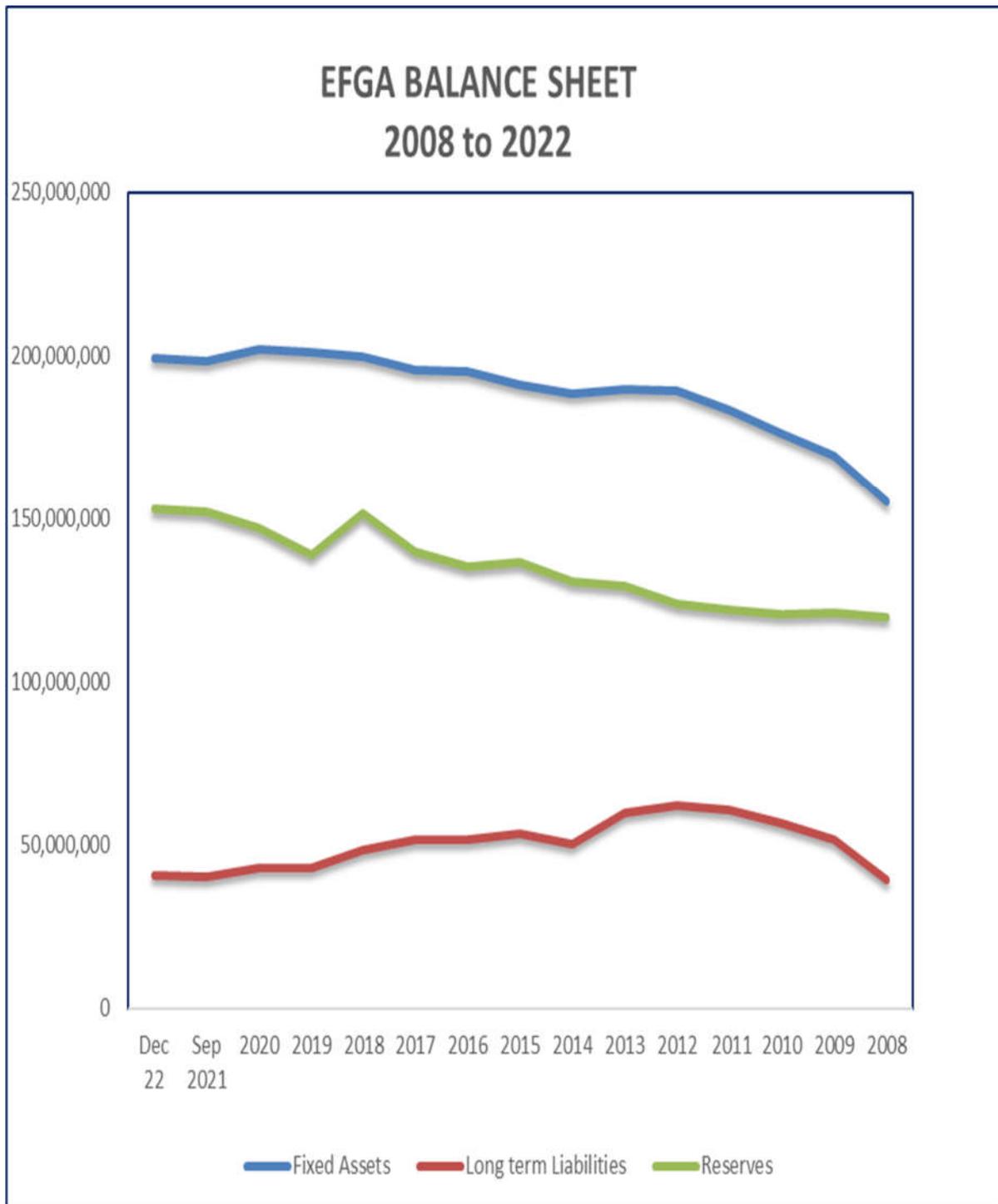
Long Term Liabilities which are mostly loans received from banks have been reduced by £2.5m (2020: £5.8m) as we have continued to reduce overall debt exposure.

It should also be noted that the consolidated balance held in the various bank accounts for the Alliance has risen yet again as they have continued to do so since the onset of Covid - 2021 : £26m (2020: £20.4m)

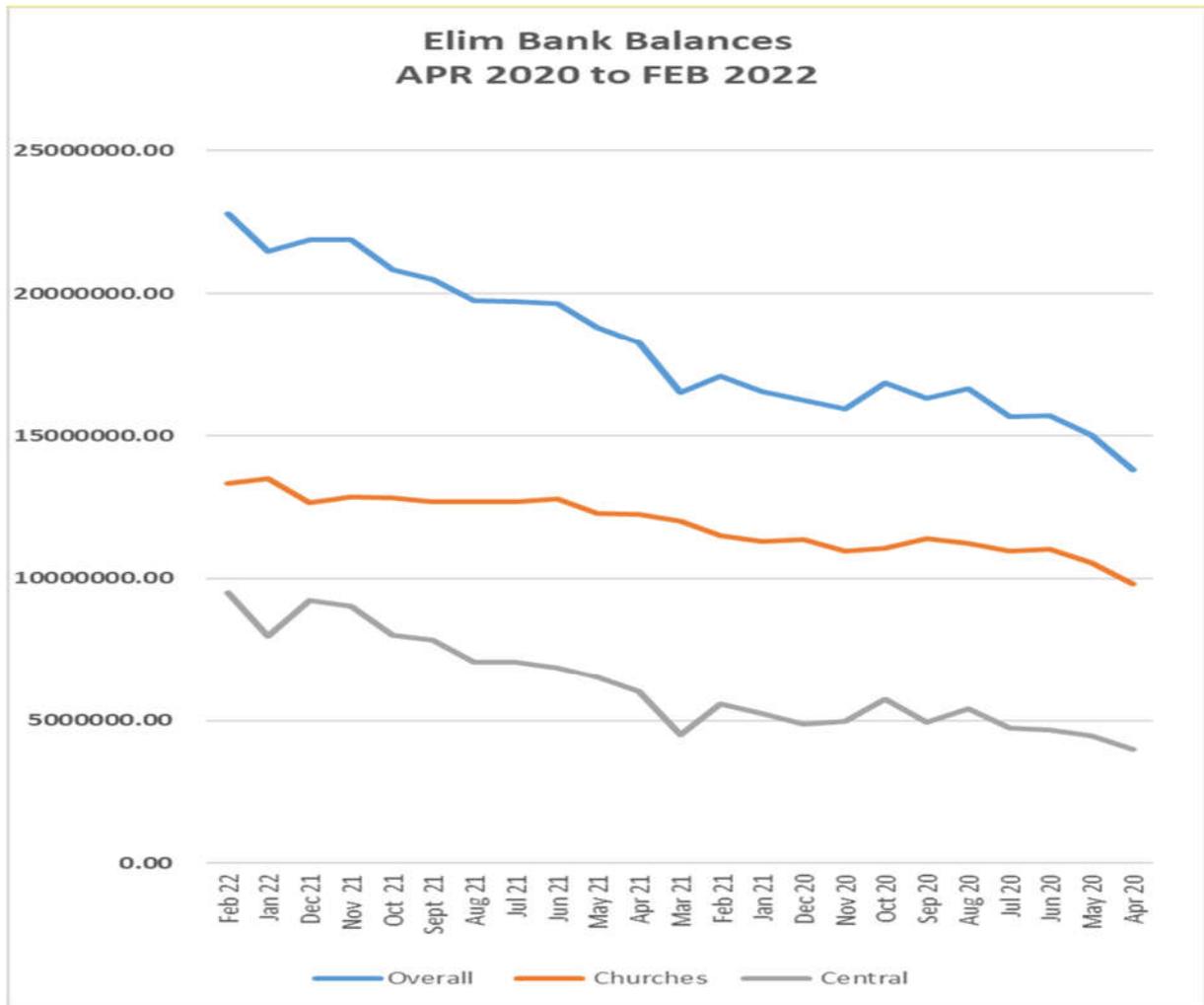
Conclusion

Despite the circumstances in which we have had to operate and the onerous obstacles, I cannot recall a year in which there has been such a level of visible and impacting ministry, and especially with such a low level of funding. However, it bears repeating that this also demanded a high level of individual and collective personnel engagement. **Thank you all.**

And thanks to our God for His faithfulness and blessing which has enabled so much of our ministry and efforts to reach a very needy world.



ELIM FOURSQUARE GOSPEL ALLIANCE
 FINANCIAL STATEMENTS YEAR ENDED 30 September 2021



ELIM FOURSQUARE GOSPEL ALLIANCE
FINANCIAL STATEMENTS YEAR ENDED 30 September 2021

Trustees' responsibilities for the financial statements

Trustees' Responsibilities Statement

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

The Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005, and the regulations made thereunder, requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, which give a true and fair view of the state of affairs of the charity and the group and of the incoming resources and application of the resources, including the income and expenditure, of the charity and group 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 set out in the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group continue in operation.

The trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's and group's transactions and disclose with reasonable accuracy at any time the financial position of the charity and the group and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the Trust Deed. The trustees are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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.

Auditors

Moore Kingston Smith LLP, having indicated willingness to continue as auditors, will be retained serve as such for the new financial year.

Signed by order of the National Leadership Team



AUDITORS REPORT

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

Opinion

We have audited the financial statements of Elim Foursquare Gospel Alliance for the year ended 30 September 2021 which comprise the Consolidated Statement of Financial Activities, the Parent Charity only Statement of Financial Activities, the Consolidated Balance Sheet, the Parent Charity Balance Sheets, the Consolidated Cash Flow Statement, the Accounting Policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 30 September 2021 and of the group's and parent charity's incoming resources and application of resources, 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 Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 (as amended) and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we required for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out above, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under section 144 of the Charities Act 2011 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 (as amended), regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended), the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council]
- We obtained an understanding of how the charity complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011 and Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP

Date: 26 April 2022

Moore Kingston Smith LLP
Statutory auditor

Devonshire House
60 Goswell Road
London
EC1M 7AD

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

ACCOUNTING POLICIES

BASIS OF PREPARATION

These financial statements have been prepared in accordance with the Constitution of the Alliance, applicable accounting standards, and recommendations in the Charities Act 2011 and the Statement of Recommended Practice: Accounting by Charities FRS102 (the SORP), the Financial Reporting Standard applicable in the UK and Republic of Ireland except as noted below.

They have been prepared under the historical cost convention as modified by the revaluation of investments to fair value, and on a going concern basis.

Elim Foursquare Gospel Alliance constitutes a public benefit entity as defined by FRS102.

BASIS OF CONSOLIDATION

The group financial statements consolidate those of the charity and its subsidiary undertakings drawn up to 30 September 2021. All intra-Alliance transactions and profits are eliminated on consolidation, unless indicative of an underlying impairment.

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

GOING CONCERN

The financial statements are prepared on a going concern basis, which assumes that the charity will continue as a going concern for the foreseeable future. As explained more fully in the Report of the Trustees, Church ministry and activities have successfully transferred to virtual media and increased levels of direct, albeit remote communication which has actually seen an increase in community engagement. By making available alternative options, mainly digital, income by way of gifts and offerings has been sustained at a level where cash reserves have increased over the lockdown period introduced in March 2020 and other income sources have been offset by reductions in related costs and by utilising the government's Furlough Grant scheme. Based on this, together with the increased cash reserves held, the Trustees have concluded there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

BRANCHES

The financial statements of the charity incorporate those of all funds and branches which are governed by the terms of the Constitution of the Alliance.

INCOMING RESOURCES

Donations and gifts

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

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

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

- assets received for distribution by the Alliance are recognised only when distributed

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

Voluntary help is not included as income.

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

Donations under Gift Aid are credited as income when the donations are received together with the associated income tax recoveries.

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

Contributions re Capital projects

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

Grants receivable

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

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

Insurance Claim income

Income from successful claims, including Covid-19 Loss of Income claims, are introduced on receipt of written agreement from the insurers

Investment income

Investment income is recognised when receivable.

RESOURCES EXPENDED

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

- expenditure incurred directly to the fulfilment of the charity's objectives (direct charitable), including support costs
- expenditure incurred directly in the effort to raise voluntary contributions (fundraising and publicity)
- the purchase of properties overseas from funds provided by the International Missions Board is included in the statements under restricted funds expenditure and not treated as tangible fixed assets, except where held on behalf of the Board by the Elim Trust Corporation.
- Direct costs attributable to a single activity are allocated directly to that activity. Support costs and governance costs are allocated by management based on the most appropriate categorisation and split between categories where appropriate. See note 6a.
- grants payable as approved by management, charged against the relevant fund

FUND ACCOUNTING

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

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

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

TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost or valuation, net of depreciation. No depreciation is charged during the year of acquisition, or period of construction..

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

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

The periods generally applicable are:

Freehold properties	0.35% - 0.79% reducing balance from June 1999 on valuation, or on cost incurred from that date
Leasehold properties	Period of lease
Fixtures, fittings and equipment	10 years

In accordance with FRS 102 assets in the course of construction are not depreciated. Depreciation will occur when assets in the course of construction are ready for use, being when the physical construction is complete.

INVESTMENT PROPERTY

Investments comprise those properties that are held solely for either their rental income and /or capital appreciation. They are carried at fair value. Any movement in fair value is recognised in the Statement of Financial Activities.

STOCKS

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

FOREIGN CURRENCIES

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

BORROWINGS

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

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

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

CONTRIBUTIONS TO PENSION FUNDS

Defined Benefit Scheme

Defined benefit schemes are funded, with the assets of the scheme held separately from those of the charity, in separate trustee administered funds. Under FRS102 valuation Pension scheme assets are measured at fair values and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. This is a prescriptive valuation process determined by the Pensions Regulator purely for Employer Balance Sheet purposes. The FRS102 valuation for 2021 is £31.1m (2020: £35.4m). The main actuarial valuations for Trustee management are obtained at least triennially. These results however are not reported via the Balance Sheet for the Alliance. The latest triennial report for 3 years ended 31 December 2018 indicates a resulting pension shortfall of £11.8m, with a recovery plan targeted at 2035.

FINANCIAL INSTRUMENTS

The Charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and loans from banks and other third parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

JUDGEMENTS AND ESTIMATES

The key judgements and estimates made by the charity management relate to the following:

1. Depreciation on property assets
2. Assumptions for the Defined Benefit Pension scheme
3. The recoverability of Debtors
4. Revaluation on Investment assets

ELIM FOURSQUARE GOSPEL ALLIANCE
FINANCIAL STATEMENTS YEAR ENDED 30 SEPTEMBER 2021

Consolidated Statement of Financial Activities
incorporating Income and Expenditure Account

	note	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
INCOMING RESOURCES					
Activities for generating income					
Voluntary Income	1	47,522,506	2,056,564	49,579,070	47,685,742
Income generated by ancillary programs	2	14,002,639		14,002,639	16,898,624
Income from charitable activities	3	380,150		380,150	739,699
Investment income	4	605,891		605,891	605,891
Other Income resources	5				10,000
Total incoming resources		62,511,186	2,056,564	64,567,750	65,939,956
RESOURCES EXPENDED					
Costs of raising funds	6	450,283		450,283	678,543
Charitable Activities	6a	57,461,801	1,948,525	59,410,326	62,270,279
Loss on sale of assets	5	10,333		10,333	
		57,922,418	1,948,525	59,870,943	62,948,822
Surplus of income over Expenditure		4,588,768	108,039	4,696,807	2,991,134
Investment Asset revaluation		(1,268,410)		(1,268,410)	
Net incoming resources for the year		3,320,358	108,039	3,428,397	2,991,134
Actuarial Gain on Defined Benefit Scheme	22	1,971,000		1,971,000	5,559,000
Fund balances at 1 October 2020		146,395,663	693,578	147,089,241	138,539,107
Fund balances at 30 September 2021		151,687,021	801,617	152,488,638	147,089,241

All of the activities of the charity are classed as continuing

ELIM FOURSQUARE GOSPEL ALLIANCE
FINANCIAL STATEMENTS YEAR ENDED 30 SEPTEMBER 2021

Statement of Financial Activities - CHARITY ONLY
incorporating Income and Expenditure Account

	note	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
INCOMING RESOURCES					
Activities for generating income					
Voluntary Income	1	47,522,506	2,056,564	49,579,070	47,685,742
Income generated by ancillary programs	2	13,889,697		13,889,697	16,776,626
Income from charitable activities	3	380,150		380,150	739,699
Investment income	4	605,891		605,891	605,891
Other Income resources	5				10,000
Total incoming resources		62,398,244	2,056,564	64,454,808	65,817,959
RESOURCES EXPENDED					
Costs of raising funds	6	450,283		450,283	678,543
Charitable Activities	6a	57,323,967	1,948,525	59,272,492	62,110,145
Loss on sale of assets	5	10,333		10,333	
		57,784,583	1,948,525	59,733,108	62,788,688
Surplus of income over Expenditure		4,613,661	108,039	4,721,700	3,029,271
Investment Asset revaluation		(1,268,410)		(1,268,410)	
Net incoming resources for the year		3,345,251	108,039	3,453,290	3,029,271
Actuarial Gain on Defined Benefit Scheme	22	1,971,000	0	1,971,000	5,559,000
Fund balances at 1 October 2020		146,370,409	693,578	147,063,987	138,475,716
Fund balances at 30 September 2021		151,686,660	801,617	152,488,277	147,063,987

All of the activities of the charity are classed as continuing

ELIM FOURSQUARE GOSPEL ALLIANCE
FINANCIAL STATEMENTS YEAR ENDED 30 SEPTEMBER 2021

CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2021

	Note	Unrestricted Funds 2021	Restricted Funds 2021	Total Funds 2021	Total Funds 2020
		£	£	£	£
Fixed Assets					
Tangible fixed assets	9	188,958,025		188,958,025	191,014,315
Investments	9a	7,358,000		7,358,000	8,626,410
Long term loans advanced	12	372,512		372,512	2,126,152
		<u>196,688,537</u>		<u>196,688,537</u>	<u>201,766,877</u>
Current Assets					
Stocks	10	29,038		29,038	30,886
Debtors	11	3,929,293		3,929,293	2,668,432
Cash at bank and in hand	13	25,240,747	801,617	26,042,364	20,393,441
		<u>29,199,078</u>	<u>801,617</u>	<u>30,000,695</u>	<u>23,092,759</u>
Current Liabilities					
Creditors	14	1,669,737		1,669,737	1,530,690
Current portion on long term loans	15	2,142,566		2,142,566	2,312,328
		<u>3,812,303</u>		<u>3,812,303</u>	<u>3,843,018</u>
Net current assets		<u>25,386,775</u>	<u>801,617</u>	<u>26,188,392</u>	<u>19,249,741</u>
Total assets less current liabilities		<u>222,075,312</u>	<u>801,617</u>	<u>222,876,929</u>	<u>221,016,618</u>
Long term loans received and other liabilities	15	40,378,291		40,378,291	42,866,377
Pension obligations		30,010,000		30,010,000	31,061,000
		<u>151,687,021</u>	<u>801,617</u>	<u>152,488,638</u>	<u>147,089,241</u>
Reserves					
General reserves		28,249,852		28,249,852	10,560,053
General property reserves	17	123,437,169		123,437,169	135,835,610
Restricted funds	16		801,617	801,617	693,578
		<u>151,687,021</u>	<u>801,617</u>	<u>152,488,638</u>	<u>147,089,241</u>

These financial statements were approved by the National Leadership Team on 5 April 2022
and signed on its behalf by Chris Cartwright



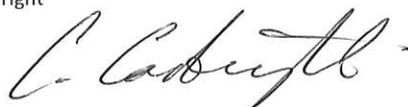
The accounting policies on pages 11 to 14 and the notes on pages 18 to 24 form part of these financial statements.

ELIM FOURSQUARE GOSPEL ALLIANCE
FINANCIAL STATEMENTS YEAR ENDED 30 SEPTEMBER 2021

CHARITY BALANCE SHEET AS AT 30 SEPTEMBER 2021

	Note	Unrestricted Funds 2021	Restricted Funds 2021	Total Funds 2021	Total Funds 2020
		£	£	£	£
Fixed Assets					
Tangible fixed assets	9	188,958,025		188,958,025	191,014,315
Investments	9a	7,358,000		7,358,000	8,626,410
Long term loans advanced	12	372,512		372,512	2,126,152
		<u>196,688,537</u>		<u>196,688,537</u>	<u>201,766,877</u>
Current Assets					
Stocks	10	12,006		12,006	14,264
Debtors	11	3,898,608		3,898,608	2,701,120
Cash at bank and in hand	13	25,225,614	801,617	26,027,231	20,344,766
				0	0
		<u>29,136,228</u>	<u>801,617</u>	<u>29,937,845</u>	<u>23,060,150</u>
Current Liabilities					
Creditors	14	1,607,248		1,607,248	1,523,335
Current portion on long term loans	15	2,142,566		2,142,566	2,312,328
		<u>3,749,814</u>		<u>3,749,814</u>	<u>3,835,663</u>
Net current assets		<u>25,386,414</u>	<u>801,617</u>	<u>26,188,031</u>	<u>19,224,487</u>
Total assets less current liabilities		<u>222,074,951</u>	<u>801,617</u>	<u>222,876,568</u>	<u>220,991,364</u>
Long term loans received and other liabilities	15	40,378,291		40,378,291	42,866,377
Pension obligations		30,010,000		30,010,000	31,061,000
		<u>151,686,660</u>	<u>801,617</u>	<u>152,488,277</u>	<u>147,063,987</u>
Reserves					
General reserves		28,249,492		28,249,492	10,426,760
General property reserves	17	123,437,168		123,437,168	135,835,610
Restricted funds	16		801,617	801,617	801,617
		<u>151,686,660</u>	<u>801,617</u>	<u>152,488,277</u>	<u>147,063,987</u>

These financial statements were approved by the National Leadership Team on 5 April 2022 and signed on its behalf by Chris Cartwright



The accounting policies on pages 11 to 14 and the notes on pages 18 to 24 form part of these financial statements.

ELIM FOURSQUARE GOSPEL ALLIANCE
 FINANCIAL STATEMENTS YEAR ENDED 30 SEPTEMBER 2021

CONSOLIDATED CASH FLOW STATEMENT

	2021	2020
Net cash inflow from operating activities	4,696,807	2,991,134
Adjustments for:		
Depreciation	1,540,828	1,523,709
Interest received	(279,790)	(479,035)
Interest paid	2,365,352	2,396,067
Movement in stock	1,848	(3,133)
Movement in debtors	(1,260,861)	127,380
Movement in creditors	139,047	248,932
Non cash movement re Defined Benefit Pension Scheme	920,000	1,264,000
Profit on disposal of fixed assets	10,333	(10,000)
Net cash from operating activities	<u>8,133,565</u>	<u>8,059,054</u>
Cash Flows from investing activities:		
Purchase of Property, plant and equipment	(1,740,550)	(2,645,166)
Sale of Property, plant and equipment	2,245,677	94,635
Interest received	279,790	479,035
(Loans Advanced) Repayment of loans advanced	1,753,640	51,029
	<u>2,538,557</u>	<u>(2,020,467)</u>
Cash flows from financing activities		
Movement in loans	(2,657,848)	(625,601)
Interest paid	(2,365,351)	(2,396,066)
	<u>(5,023,200)</u>	<u>(3,021,667)</u>
Change in cash and cash equivalents in the reporting period	5,648,923	3,016,920
Cash and cash equivalents at the beginning of the reporting period	20,393,441	17,376,521
Cash and cash equivalents at the end of the reporting period	<u>26,042,364</u>	<u>20,393,441</u>

ELIM FOURSQUARE GOSPEL ALLIANCE
FINANCIAL STATEMENTS YEAR ENDED 30 SEPTEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS

1. Activities for generating income

	Total 2021	Total 2020
	£	£
1. Voluntary Income		
General Gifts and Offerings	19,138,710	18,500,897
Gift Aid donations and tax rebate	22,742,364	22,471,171
Designated gifts and offerings	2,244,645	2,636,318
Legacies	383,046	344,206
Grants received 1a	4,329,933	3,328,596
Other donations	740,372	404,554
	<u>49,579,070</u>	<u>47,685,742</u>

Included with Voluntary income is £2,056,564 which relates to restricted funds (2020: £2,030,852).

1a. Grants received

Grants received from external sources during the year to 30 September 2021 and for the year to 30 September 2020, are included under voluntary income. We welcome and appreciate the support from the various grant makers and while the individual amounts are of considerable import to the relevant individual activity, the number involved renders it impracticable to list donors in detail. Branch reports contain more detail.

	Total 2021	Total 2020
2. Income from ancillary programs		
Hire of premises+	2,054,976	2,413,782
Church Seminars etc	552,557	1,283,435
Ministry and Skills training	1,441,501	1,841,480
Coffee shops	200,775	296,338
Bookrooms	165,819	93,296
Charity shops	393,940	470,433
Foodbanks	478,826	400,697
Community Programs	1,137,089	1,385,173
Childcare programs	4,163,423	5,213,464
Nursing Homes	3,209,001	3,419,202
Other ancillary activities	204,732	81,324
	<u>14,002,639</u>	<u>16,898,624</u>

A proportion of the income for childcare and community programs is derived from Local Authority support for payment of fees on behalf of beneficiaries. Included within the above is £121,998 which relates to the group's subsidiary company (2020: £276,008).

ELIM FOURSQUARE GOSPEL ALLIANCE
 FINANCIAL STATEMENTS YEAR ENDED 30 SEPTEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS

	Total 2021	Total 2020
3. Income from charitable activities		
Sundry Activities	100,360	260,664
Interest Received	279,790	479,035
	<u>380,150</u>	<u>739,699</u>
	Total 2021	Total 2020
4. Investment income		
Income generated from investment assets	605,891	605,891
	<u>605,891</u>	<u>605,891</u>
	Total 2021	Total 2020
5. Other Incoming resources		
Profit (Loss) on sale of assets	(10,333)	10,000
	<u>(10,333)</u>	<u>10,000</u>
Total incoming resources	<u>64,557,416</u>	<u>65,939,956</u>

ELIM FOURSQUARE GOSPEL ALLIANCE
FINANCIAL STATEMENTS YEAR ENDED 30 SEPTEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS

		Church Activity	Evangelism	Youth	Missions	Training	Ancillary	Total
		2021	2021	2021	2021	2021	2021	2021
6a Summary by Costs								
Personnel costs	8	23,615,506	232,850	834,428	247,854	1,031,597	6,724,928	32,687,163
UK Events and ministry programs		2,612,638	470,560	221,041	90,089	56,521	760,909	4,211,758
UK ancillary and community programs	6c	477,235	2,674	6,583		77,584	2,108,136	2,672,212
Overseas ministry								
Training and development								
Literature and material		153,934	462	935	3,215	10,704	8	169,258
Premises costs		6,150,533	6,444	1,340	492	316,291	654,265	7,129,365
Utilities costs		1,635,746				3,088	152,035	1,790,869
Equipment costs		1,626,086	5,450	6,743	6,621	169,053	147,588	1,961,541
Office and administration costs		1,204,961	1,965	3,445	1,756	15,885	89,233	1,317,245
Grants Made	6d	2,051,810	50,856	6,627	1,615,911	9,212	136,714	3,871,130
Governance costs	7b	940,932	2,112	674	12,000	155,830	122,886	1,234,434
Interest Costs		2,319,067	3	624	5,375	5,593	34,689	2,365,351
		42,788,448	773,376	1,082,440	1,983,313	1,851,358	10,931,391	59,410,326

Support costs amount to £1,964,810 (2020: £2,147,309) and are split out by cost type in Note 7a below.

These cost have allocated to "Church Activity", as this is considered appropriate as this is the main activity of the charity.

Included in the above £16,136 (2020: £270,229) which relates to the group's subsidiary company. Included in the above is £2,053,534 (2020: £2,260,549) which relate to restricted funds.

ELIM FOURSQUARE GOSPEL ALLIANCE
FINANCIAL STATEMENTS YEAR ENDED 30 SEPTEMBER 2020

NOTES TO THE FINANCIAL STATEMENTS

		Church Activity	Evangelism	Youth	Missions	Training	Ancillary	Total
		2020	2020	2020	2020	2020	2020	2020
6a Summary by Costs								
Personnel costs	8	24,393,911	283,915	869,184	258,325	1,260,458	6,596,807	33,662,600
UK Events and ministry programs		3,309,606	494,667	427,896		213,285	705,423	5,150,877
UK ancillary and community programs	6c	365,231					2,322,742	2,687,973
Overseas ministry		1,369,772			175,104			1,544,876
Training and development		223,863					22,385	246,248
Literature and material		157,903	3,059		5,203	12,393	36	178,594
Premises costs		6,942,145	3,643	8,259	915	384,940	475,540	7,815,442
Utilities costs		1,603,268				5,913	157,472	1,766,653
Equipment costs		1,440,996	3,122	8,886	2,880	162,389	117,050	1,735,323
Office and administration costs		1,286,627	2,053	4,474	2,593	15,675	93,330	1,404,752
Grants Made	6d	559,116	48,839	24,268	1,585,372	5,489	70,706	2,293,790
Governance costs	7b	1,070,699			12,000	178,703	125,683	1,387,085
Interest Costs		2,343,669			7,509		44,888	2,396,066
		45,066,806	839,298	1,342,967	2,049,901	2,239,245	10,732,062	62,270,279

Support costs amount to £2,497,032 (2020: £1,964,810) and are split out by cost type in Note 7a below.

Included in the above £278,652 (2020: £278,652) which relates to the group's subsidiary company. Included in the above is £1993098 (2020: £2053,534) which relate to restricted funds.

ELIM FOURSQUARE GOSPEL ALLIANCE
FINANCIAL STATEMENTS YEAR ENDED 30 SEPTEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS

		Total 2021	Total 2020
6c Expenditure re Ancillary Programs	6a		
Church Seminars etc		158,350	149,544
Ministry and Skills training		70,197	89,954
Coffee shops		404,077	507,018
Bookrooms		53,283	46,325
Foodbanks		366,670	182,502
Charity shops		246,822	273,445
Childcare programs		4,564,850	4,582,605
Community Programs		1,657,006	1,560,897
Nursing Homes		3,410,136	3,339,772
		<u>10,931,391</u>	<u>10,732,062</u>

		Total 2021	Total 2020
6d. Grants Made	6a		
Individuals		776,502	715,253
Other ministries and institutions		2,596,687	1,014,700
Other charities		497,941	563,837
		<u>3,871,130</u>	<u>2,293,790</u>

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

		Total 2021	Total 2020
7a. Support costs			
Central and Regional Salaries		1,782,446	1,649,272
Central office premises		113,743	109,692
Central Equipment		152,415	168,682
Central administration costs		191,099	569,386
		<u>2,239,703</u>	<u>2,497,032</u>
7b. Governance Costs			
Principal auditor fee		125,415	144,089
Consultancy fees		-	
Legal and advisory fees		1,103,311	1,223,481
Trustee and management committees		5,708	19,515
		<u>3,474,137</u>	<u>3,884,117</u>

NOTES TO THE FINANCIAL STATEMENTS

8. EMPLOYEES

	Total 2021	Total 2020
STAFF COSTS DURING THE YEAR WERE AS FOLLOWS:		
Wages and salaries - ministry	25,365,187	26,598,778
Wages and salaries - administration	3,795,069	3,169,254
Agency Costs	17,589	19,968
Social security costs	657,388	702,712
Other pension costs	2,775,244	3,087,502
Private health insurance	76,685	84,386
	<u>32,687,162</u>	<u>33,662,600</u>

Included in the above is a sum of £40,700 paid by way of Termination payments

Staff roles	Number 2021	Number 2020
Church and ministry staff	603	600
Youth Ministry	105	106
Administration	298	297
Care - Nursing and childcare	226	252
Community Programs	146	153
Property Services	144	137
	<u>1,522</u>	<u>1,545</u>

	Number 2021	Number 2020
£100,001 -	1	
£90,001 - £100,000	2	2
£80,001 - £90,000	2	2
£70,001 - £80,000	2	2
£60,001 - £70,000	8	7
£50,001 - £60,000	13	11
£40,001 - £50,000	30	34
£30,001 - £40,000	140	140
£20,001 - £30,000	250	240
£10,001 - £20,000	466	501
£1 - £10000	608	606
Total	<u><u>1,522</u></u>	<u><u>1,545</u></u>

Trustees and Officers

	2021	2020
Remuneration re Regional Leaders and principal officers	<u>1,031,350</u>	<u>1,018,879</u>
Disbursement of expenses in fulfilment of duties	<u>8,912</u>	<u>32,545</u>

As required by the Constitution of the Alliance all members of the National Leadership Team (the Trustees) are serving ministers of the Alliance. During the year all members received remuneration commensurate with their ministerial or executive role. The total amount including pension contributions was £766,220 (2020 : £779,702). A breakdown of this amount is included within the Trustees Report. Loans provided to trustees, primarily as vehicle loans, are listed in note 12(a2) Please read these in conjunction with this report.

Included in the disbursement of Expenses above are payments to 11 trustees

No other payment was made during the year to persons related to a trustee other than those due under contract of employment. In the period to September 2021 the number employed was 4 (2020: 6) with a total salary of £92,888 (2020: £106,694) . A breakdown of this amount is included within the Trustees Report. Please read this in conjunction with this report

NOTES TO THE FINANCIAL STATEMENTS

9. Tangible Fixed Assets

Group	Freehold property & leasehold improvements	Assets in the course of Construction	Fixtures, fittings & equipment	Total 2021
Cost as at 30 September 2020	209,185,935		5,545,489	214,731,424
Additions	1,622,544		118,006	1,740,550
Transfer to Investments				0
Disposals	(2,256,011)		0	(2,256,011)
Cost as at 30 September 2021	208,552,468		5,663,495	214,215,963
Accumulated depreciation as at 30 September 2020	19,397,974		4,319,401	23,717,375
Charge in the year	1,361,507		179,056	1,540,563
Depreciation on disposals				
Accumulated depreciation as at 30 September 2021	20,759,481		4,498,457	25,257,938
Net book value at 30 September 2021	187,792,987		1,165,038	188,958,025
Net book value at 30 September 2020	189,787,962		1,226,088	191,014,049

9. Tangible Fixed Assets

Charity	Freehold property & leasehold improvements	Assets in the course of Construction	Fixtures, fittings & equipment	Total 2,021
Cost as at 30 September 2020	209,185,935		5,532,727	214,718,662
Additions	1,622,544		118,006	1,740,550
Transfer to Investments				
Disposals	(2,256,011)			(2,256,011)
Cost as at 30 September 2021	208,552,468		5,650,733	214,203,201
Accumulated depreciation as at 30 September 2020	19,397,974		4,306,639	23,704,613
Charge in the year	1,361,507		179,056	1,540,563
Depreciation on disposals				
Accumulated depreciation as at 30 September 2021	20,759,481		4,485,695	25,245,176
Net book value at 30 September 2021	187,792,987		1,165,038	188,958,025
Net book value at 30 September 2020	189,787,962		1,226,088	191,014,049

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

ELIM FOURSQUARE GOSPEL ALLIANCE
FINANCIAL STATEMENTS YEAR ENDED 30 SEPTEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS

9a Investments

	Investment property
Value at 30 September 2020	8,626,410
Revaluation in year	<u>(1,268,410)</u>
Value as at 30 September 2021	<u><u>7,358,000</u></u>

5 properties were identified as being held solely for income generation and capital appreciation so were transferred from Tangible Fixed Assets in the previous year. The valuation is reviewed annually to establish fair value at the balance sheet date.

10. STOCKS

	Total 2021	Total 2020
Group		
Goods for resale	9,958	12,134
Office stock	19,080	18,752
	<u>29,038</u>	<u>30,886</u>

Goods for resale are held by local church bookrooms and EPC Services Shop

Charity		
Goods for resale	9,956	12,132
Office stock	2,050	2,132
	<u>12,006</u>	<u>14,264</u>

Goods for resale are held by local church bookrooms

11. DEBTORS

	Total 2021	Total 2020
Group		
Trade Debtors	288,957	862,878
Prepayments		
Other debtors	3,640,336	1,805,554
	<u>3,929,293</u>	<u>2,668,432</u>
Charity		
Trade Debtors	288,957	948,718
Intercompany	41,885	
Other debtors	3,567,766	1,821,334
	<u>3,898,608</u>	<u>2,770,052</u>

ELIM FOURSQUARE GOSPEL ALLIANCE
FINANCIAL STATEMENTS YEAR ENDED 30 SEPTEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS

12. LONG TERM LOANS ADVANCED

		Total 2021	Total 2020
Group and Charity			
Advances to individuals	a	291,785	1,729,303
Sundry advances less provisions		80,726	396,849
		<u>372,511</u>	<u>2,126,152</u>

a1. Includes advances to 3 officers of the Alliance secured against assets and repayable by date of sale £37,525 (2020: £29,920) No individual loan exceeds £30,000.

a2. Also includes the following advances to trustees :

Colin Dye in the sum of £19,956 (2020: £21,260) ; A further loan was made, but fully repaid within the year

Edwin Michael £NIL (2020: £5,000)

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

13. CASH AT BANK AND IN HAND	Unrestricted Funds 2021	Restricted Funds 2021	Total Funds 2021	Total Funds 2020
Net balance held in local church accounts	17,444,709		17,444,709	15,953,462
Central Funds	7,796,038	801,617	8,597,655	4,439,979
	<u>25,240,747</u>	<u>801,617</u>	<u>26,042,364</u>	<u>20,393,441</u>

14. CREDITORS

Group	Total 2021	Total 2020
Trade creditors	1,064,862	941,627
Social security and other taxes	43,521	50,750
Other creditors	505,355	538,313
Accruals and deferred income	56,000	0
	<u>1,669,737</u>	<u>1,530,690</u>

Charity	Total 2021	Total 2020
Trade creditors	1,053,344	936,772
Social security and other taxes	38,545	50,750
Other creditors	459,360	535,813
Intercompany		
Accruals and deferred income	56,000	
	<u>1,607,248</u>	<u>1,523,335</u>

ELIM FOURSQUARE GOSPEL ALLIANCE
FINANCIAL STATEMENTS YEAR ENDED 30 SEPTEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS

	Total 2021	Total 2020
15. LONG TERM LOANS RECEIVED		
Unsecured liabilities:-		
Amounts due to other trusts	141,730	139,643
Amounts due to individuals	782,566	952,328
Amounts repayable within one year	<u>(642,566)</u>	<u>(812,328)</u>
	281,730	279,643
Secured liabilities:-		
Bank loans (b)	41,596,561	44,086,734
Bank loan portion payable within one year	(1,500,000)	(1,500,000)
Individual loan portion payable within one year		
Total Long Term Loans	<u><u>40,378,291</u></u>	<u><u>42,866,377</u></u>
 Bank loan projected repayments		
Within one year	1,500,000	1,500,000
After one and within two years	1,500,000	1,500,000
After two and within five years	4,500,000	4,500,000
After five years	34,096,561	36,586,734
	<u><u>41,596,561</u></u>	<u><u>44,086,734</u></u>

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

£27.25m is provided by Lloyds as a Fixed Rate loan

The balance of the bank facilities is provided at LIBOR related rates by Lloyds and RBS and is being repaid over an agreed 15 year term by 2028.

16. MOVEMENT ON RESTRICTED FUNDS

Group and charity	CHURCH RESTRICTED FUNDS	ELIM RELIEF ASSOC. FUND	2021 TOTAL RESTRICTED FUNDS	2020 TOTAL RESTRICTED FUNDS
			£	£
At 1 October 2020	631,172	62,406	693,578	655,824
Incoming resources	1,978,183	78,381	2,056,564	2,030,852
Expenditure	(1,870,208)	(78,317)	(1,948,525)	(1,993,098)
At 30 September 2021	<u><u>739,147</u></u>	<u><u>62,470</u></u>	<u><u>801,617</u></u>	<u><u>693,578</u></u>

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

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

ELIM FOURSQUARE GOSPEL ALLIANCE
FINANCIAL STATEMENTS YEAR ENDED 30 SEPTEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS

17. MOVEMENT ON DESIGNATED FUNDS

The Group	CAPITAL ASSETS FUND	2021 TOTAL DESIGNATED FUNDS	2020 TOTAL DESIGNATED FUNDS
At 1 October 2020	145,835,610	145,835,610	144,173,187
Incoming resources			0
Expenditure			0
Transfers	(12,398,441)	(12,398,441)	1,662,423
At 30 September 2021	133,437,169	133,437,169	145,835,610

The charity	CAPITAL ASSETS FUND	2021 TOTAL DESIGNATED FUNDS	2020 TOTAL DESIGNATED FUNDS
At 1 October 2020	135,835,610	135,835,610	144,173,187
Incoming resources	0	0	0
Expenditure	0	0	0
Transfers	(12,398,442)	(12,398,442)	1,662,423
At 30 September 2021	123,437,169	123,437,168	144,173,187

Local Church leaderships have invested monies from unrestricted funds for various specific purposes particularly building projects

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

18. Allocation of Assets by Fund

18.1 Group	General	Designated	Restricted	Total
Fixed Assets		188,958,025		188,958,025
Investments	7,358,000			7,358,000
Loan Advances	372,512			372,512
Current Assets	29,199,078		801,617	30,000,695
Current Laibilities	(1,669,737)	(2,142,566)		(3,812,303)
Long term Liabilities		(40,378,291)		(40,378,291)
Pension obligation	(7,010,000)	(23,000,000)		(30,010,000)
	28,249,853	123,437,168	801,617	152,488,638
				0

18.2 Charity	General	Designated	Restricted	Total
Fixed Assets		188,958,025		188,958,025
Investments	7,358,000			7,358,000
Loan Advances	372,512			372,512
Current Assets	29,136,228		801,617	29,937,845
Current Laibilities	(1,607,248)	(2,142,566)		(3,749,814)
Long term Liabilities		(40,378,291)		(40,378,291)
Pension obligation	(7,010,000)	(23,000,000)		(30,010,000)
	28,249,492	123,437,168	801,617	152,488,277

NOTES TO THE FINANCIAL STATEMENTS

19. CONTINGENT LIABILITIES

There are no contingent liabilities (2020 : £nil)

20. CAPITAL COMMITMENTS

The Alliance has no major capital commitments other than for church building projects contracted at 30 September 2021.

21. OPERATING LEASES

At the year end the charity had commitments under non-cancellable operating leases expiring as below.

Group	2021 £000s Office Equipment	2020 £000s Office Equipment
Not later than 1 year	99	176
Later than 1 year but not later than 5 years	161	317
	<u>260</u>	<u>493</u>

Charity only	2021 £000s Office Equipment	2021 £000s Office Equipment
Not later than 1 year	99	176
Later than 1 year but not later than 5 years	161	317
	<u>260</u>	<u>493</u>

22. PENSIONS

The charity operates a defined benefit occupational pension scheme, the Elim Ministers' Pension Fund to provide retirement benefits for its current and previous employees.

A full actuarial valuation was carried out as at 31 December 2018.

The total employer contributions during the year to 30 September 2021 amounted to £1,485,000 (2020: £1,605,000).

Contributions to the scheme for the year ending 30 September 2022 are expected to be £1.685 million.

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

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

Employee benefit obligations	Value at 2021	Value at 2020
	£000s	£000s
	£	£
Present value of benefit obligation	71,649	68,346
Fair value of scheme assets	(41,639)	(37,285)
Net Pension Liability	30,010	31,061

NOTES TO THE FINANCIAL STATEMENTS

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

	2021 £000s	2020 £000s
Current service cost	1,914	2,223
Net Interest cost on the net defined benefit liability	491	646
Total	<u>2,405</u>	<u>2,869</u>

Remeasurements of the net defined benefit liability recognised in Other gains and losses

	2021 £000s	2020 £000s
Actual return on assets excluding interest income	4,897	(896)
Actuarial (losses) / gains	(2,926)	6,455
	<u>1,971</u>	<u>5,559</u>

Changes in present value of benefit obligation

	2021 £000s	2020 £000s
Opening defined benefit obligation	68,346	73,151
Current service cost	1,915	2,223
Interest cost	1,068	1,327
Actuarial loss / (gain)	2,926	(6,455)
Benefits paid	(2,605)	(1,900)
Closing defined benefit obligation	<u>71,650</u>	<u>68,346</u>

Change in fair value of scheme assets

	2021 £000s	2020 £000s
Opening fair value of scheme assets	37,285	37,796
Interest in scheme assets	4,897	(896)
Return on assets excluding interest income	577	680
Employer contributions	1,485	1,605
Benefits paid	(2,605)	(1,900)
Closing fair value of scheme assets	<u>41,639</u>	<u>37,285</u>

The assets of the scheme were:

	2021	2020
UK Equities	16.2%	16%
Overseas equities	33.3%	35%
Gilts	0.9%	3%
Corporate bonds	6.5%	14%
Overseas bonds	5.4%	
Property	22.3%	23%
Cash/ other	15	9%
	<u>100</u>	<u>100</u>

ELIM FOURSQUARE GOSPEL ALLIANCE
FINANCIAL STATEMENTS YEAR ENDED 30 SEPTEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS

Prncipal Actuarial assumptions	2021	2020
Discount rate	1.95%	1.57%
Inflation assumption (RPI)	3.67%	3.15%
Inflation assumption (CPI)	2.67%	2.15%
Future salary increases		
for first 14 years post September 2021	0.00%	0.00%
thereafter	2.51%	1.84%
Deferred pension revaluation	2.67%	2.15%
Benefits accrued pre 6 April 1997	0.00%	0.00%
Benefits accrued April 1997 to 6 April 2005	2.63%	2.22%
Benefits accrued post 6 April 2005	1.86%	1.65%

Assumed life expectancies on retirement at age 65 are:

Male Mortality	100% of ONS National Life tables 2017-2018	100% of S3NFA
Females Mortality	100% of ONS National Life tables 2017-2018	100% of S3NFA
Mortality improvements	CMI 2020 long term improvement of 0.75%using core	
Cash Commutation	80% (2020: 80%) members take maximum amount available	
Expenses	Nil	

Historical disclosures

	2021	2020	2019
	£	£	£
Defined benefit obligation	(71,649)	(68,346)	(73,151)
Scheme assets	41,639	37,285	37,795
Deficit	(30,010)	(31,061)	(35,356)