

Company Registration Number 1648879

Charity Number 285474

Scottish Charity Number SCO40681

LUIS PALAU EVANGELISTIC TEAM
FINANCIAL STATEMENTS
31 DECEMBER 2016

CANSDALES

Chartered Accountants & Statutory Auditor

Bourbon Court

Nightingales Corner

Little Chalfont

Bucks

HP7 9QS

THE LUIS PALAU EVANGELISTIC TEAM

FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2016

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THE LUIS PALAU EVANGELISTIC TEAM

MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS

The board of directors

Simon Berry
George Mackenzie
Andrew Palau
Kevin Palau
Dr Luis Palau
Lady Susan Sainsbury
Colin Saunders
Michael Spratt

Operational office

118-120 Broad Street,
Chesham,
Bucks,
HP5 3ED

Registered office

Bourbon Court
Nightingales Corner
Little Chalfont
Bucks
HP7 9QS

Independent Examiner

James Foscett
Cansdales
Bourbon Court
Nightingales Corner
Little Chalfont
Bucks
HP7 9QS

Bankers

Barclays Bank Plc
Sycamore Road
Amersham
Bucks
HP6 5DT

THE LUIS PALAU EVANGELISTIC TEAM

DIRECTORS' REPORT YEAR ENDED 31 DECEMBER 2016

The directors present their report and the financial statements of the charitable company for the year ended 31 December 2016.

LEGAL STATUS

The company, which is limited by guarantee with a registration number of 1648879, is registered as a charity in England and Wales under number 285474, and with the Office of the Scottish Charity Regulator under number SCO40681.

PRINCIPAL ACTIVITY

The principal activity of the charitable company during the year was to advance the evangelical Christian faith in the United Kingdom and throughout the world by such charitable means as the company determined.

REVIEW OF THE YEAR AND FUTURE ACTIVITIES

2016 was a tremendous year for Ministry in Europe and across the globe. Luis and Andrew Palau proclaimed the Gospel across the USA, and also at festivals in Jamaica, Malawi and Argentina. Andrew Palau also ministered in Beijing and Harbin China.

In Europe, The Next Generation Alliance evangelists proclaimed the Good News at 22 separate missions across Europe in Romania, Italy, Macedonia, Austria, Moldova, Ukraine and Serbia. In all, nearly 20,000 men, women and children heard the Good News, with almost 5,500 people indicating that they had turned to Christ. Nearly 4,000 people indicated they wanted to get into Discipleship.

We received several very generous one-off grants from Trusts and carried out 5 fund-raising mailings to our donors. Faithful ad-hoc support continues from our generous donors and friends.

2017 promises to be another exciting year. In Europe, we have another jam-packed programme of opportunities, using our Affinity Event Model. We will, Lord willing, be developing new opportunities in the Balkans and Kosovo, as well as our incredibly fruitful harvest grounds of Romania, Macedonia, Serbia, Moldova and Ukraine. We continue to develop opportunities in Italy, which has had encouraging news of baptisms. 2017 Highlights will include a large Balkans outreach in the spring, many Romanian outreaches, and some conferences to encourage and equip local Pastors in evangelism and follow up.

Luis and Andrew Palau will be ministering across the globe, including Argentina, Cote d'Ivoire and China, as well as many opportunities across the USA. In the UK Andrew Palau will have outreach opportunities in Shepperton and Weymouth. Kevin Palau will be a key note speaker for 'Movement Day' in London in the Autumn. This event will bring over 1,000 leaders together from cities across the UK. In addition to Andrew and Kevin's visits we are pleased that Luis Palau will also be ministering in Manchester and Cardiff in November. We are excited about hiring 2 new staff in 2017 to focus on opportunities in the UK and Africa. This will include developing relationships with key leaders across the UK to increase opportunities for outreach and also financial support.

PUBLIC BENEFIT

The Directors confirm that they have referred to the Charity Commission's guidance on public benefit, in particular the specific guidance on charities for the advancement of religion, when reviewing the charity's aims and objectives and in planning future activities

In seeking to achieve these objects, the Directors are confident that enabling Christians and Christian Communities to share the love of God seen in the Life of Jesus Christ and in promoting the whole mission of the Christian Faith will be for the benefit of many. The Directors believe this results in harmony and reconciliation in families and whole communities as well as the spiritual blessing in individual lives resulting in inner peace and greater sense of purpose. The events and activities organised by the charity are open to all, and are widely publicised. The Directors will continue to conduct the affairs of the Charity having regard to the Charity Commission's guidance on Public Benefit.

RESULTS

The results for the year, and the charitable company's financial position at the end of the year, are shown in the attached financial statements.

THE LUIS PALAU EVANGELISTIC TEAM

DIRECTORS' REPORT *(Continued)* YEAR ENDED 31 DECEMBER 2016

THE DIRECTORS

The directors, who are also trustees of the charitable company, during the year and to the date of this report were as follows:

Simon Berry
Andrew Palau
Dr Luis Palau
Colin Saunders

George Mackenzie
Kevin Palau
Lady Susan Sainsbury
Michael Sprat

According to the Articles of Association there must be a minimum of three directors and a maximum of twelve directors. All directors must be members of the charitable company.

Additional directors may be appointed by the existing directors. Prospective trustees would meet with members of the Board to enable the Board to assess the prospective trustee's suitability for the role, taking into account their experience and other relevant skills, and to provide the prospective trustee with information about the work done by LPEA. On appointment they would be provided with an information pack about the charity, including the latest statutory and management accounts, minutes of recent Board meetings and information on the charity's upcoming events and activities, as well copies of publications produced by the Charity Commission, such as CC3, "The essential trustee: what you need to know". Existing trustees maintain their knowledge through sharing of information at trustee meetings and their work with other not-for-profit organisations, as well as updates from professional advisers on subjects such as the new Statement of Recommended Practice. New directors meet with the Board and are furnished with all the necessary documentation about the charity.

RESERVES POLICY

It is the policy of the charitable company to maintain unrestricted funds, which are free reserves of the charitable company, at a level to cover the estimated costs of closing the charity (circa £35,000), if the charity did not continue to operate and to meet the working capital requirements of the charity. This policy is reviewed annually by the Board. Unrestricted funds not invested in fixed assets or investments and not otherwise designated by the Board were £108,642 at 31 December 2016 (2015: £113,040). Whilst this is above the target level of free reserves, there is a projected deficit for the year to 31 December 2016 owing to investment being made to the future growth of the charity, which will reduce the level of free reserves to approximately the target level.

Support costs have been apportioned to the cost centres of costs of generating funds, fundraising, trading, charitable activities and governance costs in accordance with the requirements of the SORP. Governance costs comprise all costs relating to the public accountability of the charitable company and its compliance with regulation and good practice.

RISK MANAGEMENT

The directors regularly examine the major strategic and operational risks which the charitable company faces and confirm that systems have been established to enable the necessary steps to be taken to lessen these risks.

The directors consider that the main risks affecting the charitable company are Gift Income being insufficient to meet expenditure and reliance on key individuals.

The directors will continue to address the increase of gift income by additional fund raising being carried out by the charitable company. In 2017 two new employees have been appointed, one of whom, as part of his duties, is tasked to fundraise via speaking engagements and engaging with churches and other Christian organisations. In 2017 we have already received some generous donations from trusts, churches and individuals.

THE LUIS PALAU EVANGELISTIC TEAM

DIRECTORS' REPORT *(Continued)* **YEAR ENDED 31 DECEMBER 2016**

Mitigation of the risk of reliance on key individuals is carried out by documentation of all processes, including operational details of all missions. Monthly financial reports and highlights reports covering major expenditure are sent to the Board.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors (who are also trustees of The Luis Palau Evangelistic Team for the purposes of charity law) are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 charitable company will continue in operation.

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

In so far as the directors are aware:

- there is no relevant information of which the charitable company's independent examiner is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant information and to establish that the independent examiner is aware of that information.

These financial statements were prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014.

Registered office:
Bourbon Court
Nightingales Corner
Little Chalfont
Bucks HP7 9QS

Signed by order of the directors

.....
SIMON BERRY
Director

Approved by the directors on 23 May 2017

THE LUIS PALAU EVANGELISTIC TEAM

INDEPENDENT EXAMINER'S REPORT TO THE T YEAR ENDED 31 DECEMBER 2016

I report on the financial statements of the charitable company for the year ended 31 December 2016 which are set out on pages 7 to 15.

This report is made solely to the Trustees, in accordance with section 145 of the Charities Act 2011 and regulations made under section 154 of that Act. My independent examination has been undertaken so that I might state to the Board those matters I am required to state to them in an Independent Examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Board, for my independent examination or for this report.

Respective Responsibilities of Trustees and Examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) or under Regulation 10(1)(a) to (c) of the Charities Accounts (Scotland) Regulations 2006 (the 2006 Regulations as amended) and that an independent examination is needed. The charitable company is required by company law to prepare accrued financial statements and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

Having satisfied myself that the charitable company is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the financial statements under section 145 of the 2011 Act and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 (the 2005 Act);
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act, and
- to state whether particular matters have come to my attention.

Basis of Independent Examiner's Statement

My examination was carried out in accordance with the general Directions given by the Charity Commission and is in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the financial statements present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent Examiner's Statement

In the course of my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006 and Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
 - to prepare financial statements which accord with the accounting records, comply with the accounting requirements of the Companies Act 2006, section 44(1)(b) of the 2005 Act and Regulation 8 of the 2006 Accounts Regulations, and
 - which are consistent with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities
 have not been met; or

THE LUIS PALAU EVANGELISTIC TEAM

INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS (*Continued*) YEAR ENDED 31 DECEMBER 2016

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

.....
JAMES FOSKETT, BSc (Hons), FCA, DChA
Cansdales
Chartered Accountants & Business Advisers
Bourbon Court
Nightingales Corner
Little Chalfont
Bucks HP7 9QS

Date: 26 May 2017

THE LUIS PALAU EVANGELISTIC TEAM

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME & EXPENDITURE ACCOUNT) YEAR ENDED 31 DECEMBER 2016

| | Note | Unrestricted funds | Restricted funds | Total 2016 | Unrestricted funds | Restricted funds | Total 2015 |
|--|------|-----------------------|---------------------|-----------------|-----------------------|---------------------|----------------|
| Income & Endowments | | | | | | | |
| Income from generated funds | | | | | | | |
| Donations & Legacies | | 99,278 | 120,056 | 219,334 | 106,494 | 119,518 | 226,012 |
| Other Income | | 2,351 | - | 2,351 | 2,147 | - | 2,147 |
| Income from investments | | 360 | - | 360 | 356 | - | 356 |
| Income from charitable activities | | | | | | | |
| Mission costs recovered | | 97,032 | - | 97,032 | 63,840 | - | 63,840 |
| Total income and endowments | | 199,021 | 120,056 | 319,077 | 172,837 | 119,518 | 292,355 |
| Expenditure | | | | | | | |
| Expenditure on raising funds | | | | | | | |
| Fundraising and publicity | | 18,399 | - | 18,399 | 17,282 | - | 17,282 |
| Expenditure on charitable activities | | | | | | | |
| Evangelistic mission | | 168,339 | 99,236 | 267,575 | 141,647 | 75,358 | 217,005 |
| Support costs | | 43,457 | - | 43,457 | 43,340 | - | 43,340 |
| Total expenditure | 2 | 230,195 | 99,236 | 329,431 | 202,269 | 75,358 | 277,627 |
| Net Income/(Expenditure) for the year | | (31,174) | 20,820 | (10,354) | (29,432) | 44,160 | 14,728 |
| Transfers between funds | | 25,236 | (25,236) | - | 43,807 | (43,807) | - |
| Net movement in funds | | (5,938) | (4,416) | (10,354) | 14,375 | 353 | 14,728 |
| Total funds brought forward | | 113,040 | 7,042 | 120,082 | 98,655 | 6,689 | 105,354 |
| Total funds carried forward | 7, 8 | 107,102 | 2,626 | 109,728 | 113,030 | 7,042 | 120,082 |

The charitable company has no recognised gains or losses other than the results for the year as set out above.
All of the activities of the charitable company are classed as continuing.

THE LUIS PALAU EVANGELISTIC TEAM

BALANCE SHEET AS AT 31 DECEMBER 2016

| | Note | 2016 £ | 2015 £ | £ |
|---|------|-----------------|-----------------|----------------|
| Fixed assets | | | | |
| Tangible fixed assets | | | - | - |
| Current assets | | | | |
| Debtors | 5 | 15,788 | 2,225 | |
| Cash at bank and in hand | | <u>113,085</u> | <u>135,928</u> | |
| | | 128,873 | 138,153 | |
| Creditors: amounts due within one year | 6 | <u>(19,145)</u> | <u>(18,071)</u> | |
| Net current assets | | | 109,728 | 120,082 |
| Total assets less liabilities | | | <u>109,728</u> | <u>120,082</u> |
| Unrestricted funds | | | | |
| General funds | | | <u>107,102</u> | <u>113,040</u> |
| | | | 107,102 | 113,040 |
| Restricted funds | | | <u>2,626</u> | <u>7,042</u> |
| Total funds | 7, 8 | | <u>109,728</u> | <u>120,082</u> |

For the year ending 31 December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with Financial Reporting Standard 102 (FRS102).

These financial statements were approved by the directors on 23 May 2017 and are signed on their behalf by:

.....

Company Registration Number 1648879

THE LUIS PALAU EVANGELISTIC TEAM

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2016

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared on a going concern basis under the historical cost convention. The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with the Charities Act 2011, Accounting and Reporting by Charities; Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 (as updated through Update Bulletins published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Companies Act 2006, the Charities and Trustees Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and UK Generally Accepted Practice as it applies from 1 January 2016.

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

Income including donations

All income is accounted for once the charitable company has entitlement to the income, it is more likely than not that the income will be received and the amount of income receivable can be measured reliably.

Grants are included as donations.

Legacies are accounted for as soon as the charity is notified of its legal entitlement, the amount due is quantifiable and its ultimate receipt is more likely than not.

Any income received for a period other than the accounting year has been apportioned over the period to which it relates.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is included in the Statement of Financial Activities (SOFA) on an accruals basis, inclusive of Value Added Tax which cannot be recovered. Certain expenditure is directly attributable to specific activities and has been allocated to those cost categories.

Support costs have been apportioned to the cost centres of costs of generating funds, fundraising, trading, charitable activities and governance costs in accordance with the requirements of the SORP. Governance costs comprise all costs relating to the public accountability of the charitable company and its compliance with regulation and good practice.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

| | | |
|--------------------------------|---|-------------------|
| Computers and office equipment | - | 25% straight line |
| Motor vehicles | - | 25% straight line |

Items of equipment are capitalised where the purchase price exceeds £1,000.

THE LUIS PALAU EVANGELISTIC TEAM

NOTES TO THE FINANCIAL STATEMENTS (*Continued*) YEAR ENDED 31 DECEMBER 2016

1. ACCOUNTING POLICIES (continued)

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

Pension costs consist of contributions made by the charitable company to the employees' personal pension schemes. Contributions to these schemes are charged in the SOFA as they become payable in accordance with the rules of the schemes.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating surplus or deficit.

Tax status

The charitable company is a registered charity and therefore it is not assessable to corporation tax on any surplus charitable funds.

Funds accounting

Funds held by the charitable company are:

Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the directors.

Designated funds – these are funds set aside by the directors out of unrestricted general funds for specific future purposes or projects.

Restricted funds – these are funds which can only be used for particular purposes within the objects of the charitable company. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

The nature and purpose of each fund is explained further in the notes to the financial statements.

2. EXPENDITURE

| | Staff costs | Mission costs | Travel | Other costs | Total 2016 | Total 2015 |
|--------------------------------------|---------------|----------------|--------------|---------------|----------------|----------------|
| Expenditure on raising funds: | | | | | | |
| Fund raising and publicity | 12,759 | 5,640 | - | - | 18,399 | 17,282 |
| Charitable activities: | | | | | | |
| Evangelistic mission | 56,502 | 205,306 | 5,767 | - | 267,575 | 217,005 |
| Support costs | 21,872 | - | - | 21,585 | 43,457 | 43,340 |
| Total | <u>91,133</u> | <u>210,946</u> | <u>5,767</u> | <u>21,585</u> | <u>329,431</u> | <u>277,627</u> |

THE LUIS PALAU EVANGELISTIC TEAM

NOTES TO THE FINANCIAL STATEMENTS (*Continued*) YEAR ENDED 31 DECEMBER 2016

3. OTHER SUPPORT COSTS

Other support costs comprise:

| | 2016 | 2015 |
|----------------------------------|---------------|---------------|
| | £ | £ |
| Independent Examination | 1,764 | 1,670 |
| Accountancy | 2,887 | 2,875 |
| Rent and Rates | 5,780 | 5,760 |
| Insurance | 1,004 | 624 |
| Technical support | 548 | 926 |
| Repairs and maintenance | 2,606 | 1,639 |
| Telephone | 3,479 | 3,786 |
| Postage, printing and stationary | 2,000 | 1,813 |
| Subscriptions | 426 | 309 |
| Depreciation | - | - |
| Board expenses | 107 | 55 |
| Bank charges | 902 | 953 |
| Sundry | 82 | 97 |
| | <u>21,585</u> | <u>20,507</u> |

Operating leases totalling £5,780 were paid during the year (2015: £5,760).

4. STAFF COSTS AND DIRECTORS' REMUNERATION

The aggregate payroll costs were:

| | 2016 | 2015 |
|-----------------------|---------------|---------------|
| | £ | £ |
| Wages and salaries | 70,964 | 77,908 |
| Consultants | 13,263 | 8,391 |
| Social security costs | 3,980 | 5,409 |
| Pension costs | 2,926 | 3,430 |
| | <u>91,133</u> | <u>95,138</u> |

No employee was paid at a rate in excess of £60,000 per annum.

The average number of staff employed by the charitable company during the financial year was three (2015: three).

No emoluments were paid to any of the directors during the year (2015: £Nil) nor to any persons connected with them (2015: £Nil). Expenses were reimbursed to 1 Trustee during the year totalling £103 (2015: £Nil). These were travelling expenses.

Trustees donated a total of £13,700 during the year. (2015: £15,883)

Businesses during the year that share one or more of the directors of Luis Palau made donations of £23,000. (2015: £35,607)

None of the paid staff are considered to be key management.

THE LUIS PALAU EVANGELISTIC TEAM

NOTES TO THE FINANCIAL STATEMENTS (*Continued*) YEAR ENDED 31 DECEMBER 2016

5. DEBTORS

| | 2016 | 2015 |
|---------------|---------------|--------------|
| | £ | £ |
| Debtors | 12,432 | 431 |
| Other debtors | 1,001 | 716 |
| Prepayments | 2,355 | 1,078 |
| | <u>15,788</u> | <u>2,225</u> |

6. CREDITORS: Amounts falling due within one year

| | 2016 | 2015 |
|------------------------------|---------------|---------------|
| | £ | £ |
| Trade Creditors | 188 | 306 |
| Other creditors | 489 | 1,470 |
| Accruals and deferred income | 18,468 | 16,295 |
| | <u>19,145</u> | <u>18,071</u> |

Deferred income relates to grants totalling £15,000 received in 2016 for work carried out in 2017.
(2015: £10,000)

7. MOVEMENTS ON FUNDS

| | At 1 January 2016 | Income | Expenditure | Transfers | At 31 December 2016 |
|---------------------------------|----------------------|----------------|------------------|-----------------|------------------------|
| | £ | £ | £ | £ | £ |
| Restricted funds: | | | | | |
| Staff | - | 7,736 | - | (7,736) | - |
| Jerusalem Trust | - | 17,500 | - | (17,500) | - |
| NGA Evangelists | 7,042 | 94,820 | (99,236) | - | 2,626 |
| Total restricted funds | <u>7,042</u> | <u>120,056</u> | <u>(99,236)</u> | <u>(25,236)</u> | <u>2,626</u> |
| Unrestricted funds | | | | | |
| General funds | 113,040 | 199,021 | (230,195) | 25,236 | 107,102 |
| Total unrestricted funds | <u>113,040</u> | <u>199,021</u> | <u>(230,195)</u> | <u>25,236</u> | <u>107,102</u> |
| Total funds | <u>120,082</u> | <u>319,077</u> | <u>(329,431)</u> | <u>-</u> | <u>109,728</u> |

NGA Evangelists – represents funds held for the use of missionaries towards their general mission costs.

Staff – Included in donations received from LPEA Portland (£7,736) and Jerusalem Trust (£17,500) to fund staff costs.

8. ANALYSIS OF NET ASSETS

| | Other net assets | Total |
|--------------------------|---------------------|----------------|
| | £ | £ |
| Restricted funds | 2,626 | 2,626 |
| Other unrestricted funds | 107,102 | 107,102 |
| | <u>109,728</u> | <u>109,728</u> |

THE LUIS PALAU EVANGELISTIC TEAM**NOTES TO THE FINANCIAL STATEMENTS (*Continued*)
YEAR ENDED 31 DECEMBER 2016****9. COMPANY LIMITED BY GUARANTEE**

The guarantee of the members is limited to £100 each whilst they are a member and for twelve months after ceasing to be a member. There were eight members at 31 December 2016 (2015: eight).

10. OPERATING LEASES

As at 31 December 2016 the charitable company had annual commitments of £5,780 (2015: £5,760) under non-cancellable operating leases relating to the rental of the office space expiring in less than one year.

11. PENSIONS

The charitable company makes contributions to individual's personal pension schemes. The contributions payable for the period are charged in the income and expenditure account. There was a balance of £Nil outstanding at the year end (2015: £2,465).

THE LUIS PALAU EVANGELISTIC TEAM

DETAILED INCOME AND EXPENDITURE ACCOUNT YEAR ENDED 31 DECEMBER 2016

| | 31 December 2016 | | | 31 December 2015 | | |
|--|--------------------|------------------|-----------------|--------------------|------------------|---------------|
| | Unrestricted funds | Restricted Funds | Total | Unrestricted funds | Restricted Funds | Total |
| Income | £ | £ | £ | £ | £ | £ |
| Donations | 99,278 | 120,056 | 219,334 | 106,494 | 119,518 | 226,012 |
| Legacies | | - | | | - | - |
| Mission costs recovered | 97,032 | - | 97,032 | 63,840 | - | 63,840 |
| Sale and hire of books, tapes and videos | 2,351 | - | 2,351 | 2,147 | - | 2,147 |
| Investment income and interest | 360 | - | 360 | 356 | - | 356 |
| | 199,021 | 120,056 | 319,077 | 172,837 | 119,518 | 292,355 |
| Expenditure | | | | | | |
| Wages and salaries | 84,227 | - | 84,227 | 86,299 | - | 86,299 |
| Social security costs | 3,980 | - | 3,980 | 5,409 | - | 5,409 |
| Pension costs | 2,926 | - | 2,926 | 3,430 | - | 3,430 |
| Total | 91,133 | - | 91,133 | 95,138 | - | 95,138 |
| Direct mailing - postage & packing | 5,640 | - | 5,640 | 3,963 | - | 3,963 |
| Generating funds - total direct costs | 5,640 | - | 5,640 | 3,963 | - | 3,963 |
| Mission costs | 106,070 | 99,236 | 205,306 | 79,995 | 75,358 | 155,353 |
| Travel expenses | 5,767 | - | 5,767 | 2,666 | - | 2,666 |
| Charitable activities - total direct costs | 111,837 | 99,236 | 211,073 | 82,661 | 75,358 | 158,019 |
| Accountancy fees | 2,887 | - | 2,887 | 2,875 | - | 2,875 |
| Independent examination fee | 1,764 | - | 1,764 | 1,670 | - | 1,670 |
| Interest payable | 902 | - | 902 | 953 | - | 953 |
| Office and other costs | 16,032 | - | 16,032 | 15,009 | - | 15,009 |
| Depreciation | - | - | - | - | - | - |
| Total support costs | 21,585 | - | 21,585 | 20,507 | - | 20,507 |
| Total costs | 230,195 | 99,236 | 329,431 | 202,269 | 75,358 | 277,627 |
| Transfer | 25,236 | (25,236) | - | 43,806 | (43,806) | - |
| Surplus/(Deficit) per Statement of Financial Activities | (5,938) | (4,416) | (10,354) | 14,375 | 353 | 14,728 |

This page does not form part of the statutory financial statements