

REGISTERED COMPANY NUMBER: 04460911 (England and Wales)  
REGISTERED CHARITY NUMBER: 1101659

Report of the Trustees and  
Audited Financial Statements for the Year Ended  
31 March 2017  
for  
Christian Broadcasting Network (UK)

Thorne Widgery Accountancy Ltd  
Chartered Accountants  
Statutory Auditors  
2 Wyevale Business Park  
Kings Acre  
Hereford  
Herefordshire  
HR4 7BS

Christian Broadcasting Network (UK)

Contents of the Financial Statements  
for the Year Ended 31 March 2017

	Page
Report of the Trustees	1 to 7
Statement of Trustees Responsibilities	8
Report of the Independent Auditors	9 to 10
Statement of Financial Activities	11
Balance Sheet	12 to 13
Cash Flow Statement	14
Notes to the Cash Flow Statement	15
Notes to the Financial Statements	16 to 22
Detailed Statement of Financial Activities	23 to 24

## Christian Broadcasting Network (UK)

### Report of the Trustees for the Year Ended 31 March 2017

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2017. The trustees have adopted the provisions of 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) (effective 1 January 2015).

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

As CBN is a media driven ministry it is our aim to reach households in the UK, Ireland and Europe with the Gospel while providing a lifeline to callers through our free Prayer service. Simultaneously it is our aim to raise funds and awareness for the national and global work of CBN, ensuring we are able to continue to operate as a charity and ministry from a financial view. From both ministry and fundraising perspective, it is our aim to reach all age-groups through our communication methods and promote engagement at different levels. This brings with it a number of challenges such as reaching a younger age group with our programming, and having a presence on distribution platforms to achieve this.

We developed a long-term strategy to build continuity for the ministry and reach not only our current audience (45 years and above), but also reach younger generations with the Gospel. We launched CBN's Superbook series in the UK and Europe, broadcasting animated Bible stories to engage children and families with the Gospel. To reach young adults and the age group up to 45 years, we started to create social media content and are developing a format for a UK produced TV show. We are currently in the process of producing material so that we can launch a brand new, home produced TV show to our UK audiences. We are hoping to make significant steps towards having a local production studio in the year 2018, provided we have funding in place.

We restructured our team and welcomed new employees who are involved in the following areas: Prayer Centre, Donor Development, Social Media, TV Production and Marketing. By carefully investing in new positions that will support our aims we will be able to achieve the objectives better. We also implemented training and coaching for our staff to build better quality control across the board.

The criteria we use to measure success are found in the response to our content on all platforms (which we measure on a daily basis) as well as in fundraising and the number of new donors to CBN's ministry. Using various tools to also measure traffic to our websites, responses to our Prayer Centre and donor engagement, we are able to identify what works best and focus on best practices.

##### **Significant activities**

The objective is achieved by:

Broadcasting the Gospel through TV programmes and online media in the UK, Republic of Ireland, Europe and other parts of the world, providing follow up ministry through our phone Prayer Centre as well as raising funds to benefit our global humanitarian outreach projects (Operation Blessing).

CBN continues to reach viewers in the UK and across Europe, as well as in Australia and New Zealand with daily TV programming, online streaming and social media posts, creating continuous engagement with viewers for ministry and fundraising purposes. The level of engagement enables us to further the aims and objectives to reach people with the Gospel, and raise funds and awareness for our humanitarian projects.

##### **Public benefit**

CBN provides a free prayer service for all members of the public, offering Biblical advice, prayer and information. CBN's websites offer free reading and discipleship materials along with free access to online video content on various platforms, including social media. Our 24/7 IPTV stream is freely accessible, offering news from a Christian perspective, Bible teaching and proclamation of the Gospel to the public.

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

##### **Grantmaking policy**

CBN provides grants to organisations that help meet the objectives of CBN's ministry here in the UK, Europe and abroad. A funding application needs to be submitted for review by CBN's trustees before the start of the fiscal year. Any approved grants will be included in CBN's budgets. Any non-budgeted grant requests submitted during the fiscal year have to be approved by the trustees and depend on cash-flow / reserves.

Christian Broadcasting Network (UK)

Report of the Trustees  
for the Year Ended 31 March 2017

**OBJECTIVES AND ACTIVITIES**

**Volunteers**

CBN offers volunteering opportunities in various departments including administration, media and prayer. During the year we have worked with up to 5 volunteers at any given time. We also offered work orientation week placements for secondary school pupils. CBN provides full training to all volunteers and all our volunteers are DSB checked.

## Christian Broadcasting Network (UK)

### Report of the Trustees for the Year Ended 31 March 2017

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Charitable activities**

During the year, these were significant highlights:

##### **Broadcasting.**

Our broadcast ministry to the UK and Europe continued with daily programs on the Sky TV platform, providing shows to Christian and Afro-Caribbean channels. We also continued a 24/7 IPTV streaming channel on Roku TV and our website. We continued to air daily on Freeview (TBN UK), which remains one of our most engaging platforms. Last year we created a new, half hour show for TBN where we edit the daily, 60 minute show down to 30 minutes and insert customised content for our UK viewers.

Broadcasts of CBN programming in Europe is expanding. Superbook (CBN's animated Bible Stories) has currently been translated in 19 different languages and aired in 12 countries in Europe. In December 2016, we saw the premier of Superbook on national TV in Poland with an audience of over 250,000 viewers. Superbook also premiered in Croatia, Bosnia and Herzegovina, airing on the nation's first national Kids channel.

##### **Media Production.**

Our media team continues to produce content for our current programmes on TV as well as social media posts. We created a number of life stories that have been well received. The media team created their first documentary titled "Who is Jesus?" with a featuring story of Bear Grylls, sharing his Christian faith. We have seen a great uptake of this outstanding resource. A second resource was produced later in the year, focusing on the life, death and resurrection of Jesus Christ.

We partnered with Creationfest, a Christian music festival in Cornwall, to provide media support and Superbook children's ministry. This resulted in a series of TV programmes which will be aired on TBN UK, promoting both Creationfest and CBN Europe's ministry.

##### **Children's Ministry.**

Superbook, CBN's animated Bible stories, continued to air on UCB TV, TBN UK (Satellite and Freeview). We also launched online lesson materials based on Superbook for churches, offering a full year's curriculum to teach the Bible stories to children in Sunday schools.

We held a Superbook event in North London where more than 200 children attended. Other Superbook kids events were held in Bulgaria, Croatia and Albania.

##### **Primary School RE Education.**

Our partnership with Sporting Marvels in the Rhonda Valley enabled us to share the Bible stories to year 6 children in primary schools during RE lessons. By the end of March 2017, a total of 19 primary schools and 650 children were impacted by this valuable partnership.

We started the development of RE resources based on Superbook for primary schools with the aim to share the Bible stories with children in KS1 and KS2. Last year we launched the Superbook School website at [www.superbookschools.org](http://www.superbookschools.org). By the end of March 2017, we had 220 schools registered to use these free resources

##### **Prayer Ministry.**

CBN's prayer line generated an average of 2199 calls per month (26,390 calls during the year), enabling us to share the Gospel and bring hope to thousands of callers. Our prayer line staff also continued to connect with current and new partners who support the ministry. We sent out more than 100,000 Reach ministry magazines, Christian literature and letters to donors and beneficiaries.

##### **Internet Ministry.**

Our social media team started to create content to engage a younger demographic with the ministry's aims and objectives, resulting in increased awareness and fundraising. This is an ongoing development which is geared towards transitioning from being a TV driven media ministry to a Digital First ministry, engaging with audiences of all ages on multiple platforms.

##### **Charitable Projects.**

In addition to its own projects, the charity was able to assist our CBN offices in Germany and Nigeria with significant funding to support ministry activities. This funding helped to produce and broadcast TV programmes, operate prayer ministries and reach children through Superbook in Germany, Austria, Switzerland, Luxembourg and Nigeria.

## Christian Broadcasting Network (UK)

### Report of the Trustees for the Year Ended 31 March 2017

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Charitable activities**

###### **Humanitarian Relief.**

We continued to support the SEED project in the Ukraine (Something to Eat Every Day) where we work with the local Roma families, teaching them agriculture, safe construction and livelihood projects. This project is now impacting 24 communities in West Ukraine, providing hope and a future to hundreds of children and adults in impoverished regions.

Our support to Safe from Slavery has enabled us to bring restoration and hope to women who were rescued from sex trafficking and enabled the organisation to develop training to bring awareness to local authorities, schools and the public.

Through our CBN Germany office we reached out to over 400 Afghan and Persian refugees, sharing the Gospel through evangelism and outreach events.

Through a partnership with a church in Thessaloniki we were able to reach out to refugees fleeing from Syria, offering hope, relief and language classes.

###### **Donor Engagement.**

We organised 3 CBN partner events through the year, meeting with current donors and friends of the ministry. This was a great opportunity to build more relationships with our supporters and thank them personally.

###### **Management Update.**

In October, we held a successful CBN partner event in London where over 140 CBN partners including children gathered with our CBN staff to celebrate 55 years of CBN ministry. We honoured our CBN Regional Director Peter Darg for 38 years of ministry with CBN as he officially retired. Peter continues to serve as a trustee for CBN Europe. Mark Dijkens has followed in Peter's footsteps as the new Regional Director for CBN Europe.

###### **New Premises.**

In January, we moved to new rented premises which will allow us to grow and develop as a ministry. The new offices have free parking, a space for a small production studio and offer more opportunity to receive visitors and organise donor events.

###### **Conclusion.**

As a ministry and charity, CBN continues to grow and expand reach which is measured in increased fundraising, better engagement with our callers due to improved training and coaching, and increased online traffic showing an increase in interest and awareness for CBN's ministry.

###### **Key Performance Indicators:**

- Social media performance: our 700 Club Facebook page went from 4724 likes to 6100 likes. Our new CBN FB page went from 628 likes to 1200 likes.
- Website and video performance. At the beginning of the year we had 26,679 page views per month on our website at [www.cbneurope.com](http://www.cbneurope.com). At the end of the year we registered 315,679 page views. The unique users went up from 15,027 to 150,780. Our website live stream registered 15,199 views in total. Our Video on Demand online registered 15,519 views. On the new CBN Europe Facebook page we recorded a total of 112,400 video views versus 37,505 video views last year. (300% increase). On the UK 700 Club Facebook page we recorded 64,400 video views on the 700 Club page, versus 29,272 last year (212% increase). On YouTube we recorded a total of 550,405 views versus 189,472. (290% increase)
- Number of calls received. In this FY, we received 26,390 calls in total versus 29,836 calls in the year before. We recorded 3958 outbound calls.
- Number of active monthly donors. We started the FY with 2,731 monthly donors and finished the FY with 2,982, resulting in 251 additional monthly donors.
- Number of people responding to the online Gospel presentation. In the year, we registered 18,158 viewers with 212 responding positively. The year before we had 39,070 visits to the online Gospel presentation, with 533 viewers responding positively. The reduction is due to reduced Google AdWords spending on the campaign which is something we need to adjust again to see more responses.
- Number of positive responses to the Gospel through our prayer line. In the year we registered 241 people (versus 175 last year) who responded positively.
- Since the launch of our Superbook Kids website in August 2013 up to the end of March 2017 we recorded over 14,000 children who watched the online Superbook Kids Gospel presentation and provided a positive response. On average, around 500 unique viewers visit our Superbook kids website. Our most popular pages are the Gospel presentation, the video pages and the games pages.

## **ACHIEVEMENT AND PERFORMANCE**

### **Charitable activities**

Significant positive factors that helped us achieve objectives are:

- CBN programming can be seen at multiple TV platforms (Satellite and Freeview) as well as online, reaching multiple audiences.
- Improved ministry magazine, sharing proof of performance with our donors, providing a monthly continuous link between donor and charity
- Increased website content including a new 'READ' section and blog
- Optimised donate page, resulting in increased online giving
- Personalised monthly letter to all our donors to thank for their support, providing a stronger, 2-way relationship between donor and charity
- Excellent stewardship by our staff of our resources, maximising opportunities to connect such as outbound calls to our partners to thank for their support and offer prayer

Challenging factors that affected the achievement of our objectives:

- The Brexit vote has resulted in less charitable giving, presumably due to more careful donors as well as the drop in the value of the pound sterling.
- The move to a new building has challenged us financially, while the staff had to get used to a new environment and adjust.
- With investing in new staff to promote growth and development, our payroll cost is high. We trust that with the changes we will also see the fruit from expanding our reach and impact.

## **FINANCIAL REVIEW**

### **Financial position**

The charity was successful in raising donations of £1,313,495 (2016: £1,094,873) during the fiscal year on which £103,606 (2016: £75,174) of gift aid was also claimed.

The charity maintains a separate bank account for donations designated to our humanitarian work, Operation Blessing. Also a separate account is operated for donations designated to our Orphans Promise projects.

During the FY, CBN held 3 significant fundraising events that have attracted new donors to the ministry, generating a potential annual value of £117,663 (versus £126,000 last year). Our January, two-week fundraising campaign was nearly our best campaign ever with great response to our UK produced campaign videos.

The Brexit vote has resulted in lower average one-off and monthly giving amounts, presuming that donors are more careful in giving. The drop in the value of the £ Sterling may have also had an effect.

A full audited account of the financial year is conducted by Thorne Widgey.

Factors that are likely to affect future performance are:

- UK economy and possibly Brexit
- Value of the £ sterling (as this affects our funding to overseas offices)
- Introduction of UK produced TV content (increasing donor engagement)
- Future development of a Marketing and Fundraising department (developing and growing our donor base)

### **Principal funding sources**

The ministry is primarily funded by voluntary donations of the public as well as legacy gifts.

### **Reserves policy**

At the year end the charity held total funds of £212,930 (2016: £269,124), of this includes £64,970 (2016: £57,555) of restricted funds. The value of fixed at the year end were £28,989 (2016: £18,575).

Guidelines from the Charity Commission suggest that Charities should hold six months of general running cost in reserves. The charity is working towards these guidelines and holds free reserves at the balance sheet date of £118,971 (2016: £192,944), equivalent to one and a half months (2016: three months) of outgoing resources, excluding donations paid.

## Christian Broadcasting Network (UK)

### Report of the Trustees for the Year Ended 31 March 2017

#### **FUTURE PLANS**

We are looking to establish a subsidiary company to the charity to handle all resource distribution with the aim to generate additional income for the ministry.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Christian Broadcasting Network (UK) Ltd is a company limited by guarantee governed by its Memorandum and Articles of Association dated 13 June 2002. It is a registered charity with the Charity Commission. There are currently three trustees and no members.

##### **Recruitment and appointment of new trustees**

As set out in the Articles of Association, the charity will be administered by three trustees who will be elected annually by existing trustees of the charity. A review of the serving trustees will be made at the Annual General Meeting.

##### **Organisational structure**

The board of trustees, of which there are three members, holds an annual board meeting to review development, membership, finance and audit.

##### **Induction and training of new trustees**

Present and new trustees are briefed on their legal obligations under charity and company law and receive a copy of the Memorandum and Articles of Association. They are also appraised of the financial performance through a monthly report. Trustees also make timely visits to the offices in Hereford and Standish to oversee the activities. Trustee Peter Darg has daily contact with the Hereford office.

##### **Key management remuneration**

Remuneration of key management staff is set by the trustees, are in line with appropriate pay scales for the non-profit sector and reflect the qualifications, expertise and experience of key management staff.

##### **Related parties**

Kim Mitchell is trustee of CBN UK and also sits on the board of Directors of CBN Senegal, CBN Nigeria and CBN Germany.

Peter Darg is trustee of CBN UK and is married to Christine Darg who directs Exploits Ministries. Peter Darg is also a trustee of the Revelation Foundation charity.

Allen Carter is prayer centre coordinator for CBN UK and married to Sue Carter who directs Safe from Slavery. Mr Carter is also company secretary for Safe from Slavery.

Mrs Sandra Smith who is also on the board CBN companies in Costa Rica, Germany, Guatemala, Senegal and South Korea.

##### **Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees have a risk management strategy:

- contracting with Thorne Widgery Accountants to oversee employment contracts, employee grievance procedures, salaries and legal issues of staff employment
- reviews of all Health and Safety Regulations for Hereford offices and annual inspections of electrical and alarm facilities
- monthly review of financial bank statements and book-keeping by professional accountants outside of auditors Thorne Widgery
- registered with the Data Protection Act and a secure daily backup of all database transactions
- all cheques issued by the charity must be signed by two parties



Report of the Trustees  
for the Year Ended 31 March 2017

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**  
04460911 (England and Wales)

**Registered Charity number**  
1101659

**Registered office**

The Anvil  
161 Holme Lacy Road  
Hereford  
Herefordshire  
HR2 6DG

**Trustees**

**Mr P A Darg** Administrator  
**Mr K H Mitchell** Manager  
**Mrs S Smith** Programming Director

**Company Secretary**

**Mr M A Dijkens**

**Auditors**

**Thorne Widgery Accountancy Ltd**  
Chartered Accountants  
Statutory Auditors  
2 Wyevale Business Park  
Kings Acre  
Hereford  
Herefordshire  
HR4 7BS

**Bankers**

**The Royal Bank of Scotland plc**  
21 Broad Street  
Hereford  
HR4 9AP

**Solicitors**

**Harrison Clark Shawcross**  
Overross House  
Ross Park  
Ross-on-Wye  
Herefordshire  
HR9 7US

**AUDITORS**

The auditors, Thorne Widgery Accountancy Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 27/11/2017 and signed on its behalf by:

.....  
Mr M A Dijkens - Secretary

Christian Broadcasting Network (UK)

Statement of Trustees Responsibilities  
for the Year Ended 31 March 2017

The trustees (who are also the directors of Christian Broadcasting Network (UK) for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 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 trustees are aware:

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

Report of the Independent Auditors to the Trustees of  
Christian Broadcasting Network (UK)

We have audited the financial statements of Christian Broadcasting Network (UK) for the year ended 31 March 2017 on pages eleven to twenty two. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of trustees and auditors**

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

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with regulations made under Section 154 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors, including APB Ethical Standard - Provisions Available for Small Entities (Revised), in the circumstances set out in note 19 to the financial statements

**Scope of the audit of the financial statements**

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

**Opinion on financial statements**

In our opinion the financial statements:

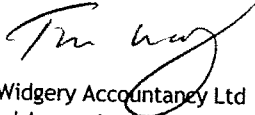
- give a true and fair view of the state of the charitable company's affairs as at 31 March 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Report of the Independent Auditors to the Trustees of  
Christian Broadcasting Network (UK)

**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 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements ; or
- the charitable company 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 require for our audit.



Thorne Wiggery Accountancy Ltd  
Chartered Accountants

Statutory Auditors

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

2 Wyevale Business Park

Kings Acre

Hereford

Herefordshire

HR4 7BS

Date: ..... 27/11/17 .....

Christian Broadcasting Network (UK)

Statement of Financial Activities  
for the Year Ended 31 March 2017

	Notes	Unrestricted fund £	Restricted funds £	31.3.17 Total funds £	31.3.16 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	1,220,813	92,682	1,313,495	1,240,939
Other trading activities	3	7,188	-	7,188	3,698
Investment income	4	38	18	56	48
<b>Total</b>		<u>1,228,039</u>	<u>92,700</u>	<u>1,320,739</u>	<u>1,244,685</u>
<b>EXPENDITURE ON</b>					
Charitable activities	5				
Humanitarian Aid and Promotion of Christian Religion		<u>1,291,647</u>	<u>85,286</u>	<u>1,376,933</u>	<u>1,126,412</u>
<b>NET INCOME/(EXPENDITURE)</b>		<u>(63,608)</u>	<u>7,414</u>	<u>(56,194)</u>	<u>118,273</u>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		211,569	57,555	269,124	150,851
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>147,961</u></u>	<u><u>64,969</u></u>	<u><u>212,930</u></u>	<u><u>269,124</u></u>

**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

Christian Broadcasting Network (UK) (Registered number: 04460911)

Balance Sheet  
At 31 March 2017

	Notes	Unrestricted fund £	Restricted funds £	31.3.17 Total funds £	31.3.16 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	13	28,989	-	28,989	18,576
<b>CURRENT ASSETS</b>					
Debtors	14	77,614	-	77,614	39,640
Cash at bank and in hand		73,987	64,970	138,957	231,777
		<u>151,601</u>	<u>64,970</u>	<u>216,571</u>	<u>271,417</u>
<b>CREDITORS</b>					
Amounts falling due within one year	15	(32,630)	-	(32,630)	(20,869)
<b>NET CURRENT ASSETS</b>		<u>118,971</u>	<u>64,970</u>	<u>183,941</u>	<u>250,548</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>147,960</u>	<u>64,970</u>	<u>212,930</u>	<u>269,124</u>
<b>NET ASSETS</b>		<u>147,960</u>	<u>64,970</u>	<u>212,930</u>	<u>269,124</u>
<b>FUNDS</b>	17				
Unrestricted funds				147,960	211,569
Restricted funds				64,970	57,555
<b>TOTAL FUNDS</b>				<u>212,930</u>	<u>269,124</u>

The notes form part of these financial statements

Balance Sheet - continued  
At 31 March 2017

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2017.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

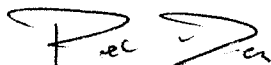
The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 144 of the Charities Act 2011.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the Board of Trustees on ..... 27 Nov 2017 ..... and were signed on its behalf by:



.....  
Mr P A Darg -Trustee

Christian Broadcasting Network (UK)

Cash Flow Statement  
for the Year Ended 31 March 2017

	Notes	31.3.17 £	31.3.16 £
<b>Cash flows from operating activities:</b>			
Cash generated from operations	1	(71,186)	145,533
<b>Net cash provided by (used in) operating activities</b>		<u>(71,186)</u>	<u>145,533</u>
<b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets		(22,439)	(12,020)
Sale of tangible fixed assets		749	-
Interest received		56	48
<b>Net cash provided by (used in) investing activities</b>		<u>(21,634)</u>	<u>(11,972)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>(92,820)</u>	<u>133,561</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>231,777</u>	<u>98,216</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>138,957</u></u>	<u><u>231,777</u></u>

The notes form part of these financial statements



Christian Broadcasting Network (UK)

Notes to the Cash Flow Statement  
for the Year Ended 31 March 2017

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES	31.3.17	31.3.16
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(56,194)	118,273
Adjustments for:		
Depreciation charges	11,874	8,049
(Profit)/loss on disposal of fixed assets	(595)	1,465
Interest received	(56)	(48)
(Increase)/decrease in debtors	(37,976)	18,485
Increase/(decrease) in creditors	11,761	(691)
	<u>(71,186)</u>	<u>145,533</u>
Net cash provided by (used in) operating activities	<u>(71,186)</u>	<u>145,533</u>

1. ACCOUNTING POLICIES

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

**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 a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

**Tangible fixed assets**

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures & Fittings	- 20% or 33% reducing balance
Computer Equipment	- 20% or 33% reducing balance

**Debtors**

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

**Bank**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**Liabilities**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**Taxation**

The charity is exempt from corporation tax on its charitable activities.

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2017

1. ACCOUNTING POLICIES - continued

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

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

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**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 transaction. Exchange differences are taken into account in arriving at the operating result.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. DONATIONS AND LEGACIES

	31.3.17 £	31.3.16 £
Donations and legacies	1,209,889	1,094,873
Gift aid	103,606	146,066
	<u>1,313,495</u>	<u>1,240,939</u>

3. OTHER TRADING ACTIVITIES

	31.3.17 £	31.3.16 £
Exchange gains	7,188	3,698
	<u>7,188</u>	<u>3,698</u>

4. INVESTMENT INCOME

	31.3.17 £	31.3.16 £
Deposit account interest	56	48
	<u>56</u>	<u>48</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct costs (See note 6) £	Grant funding of activities (See note 7) £	Support costs (See note 8) £	Totals £
Humanitarian Aid and Promotion of Christian Religion	1,018,571	349,097	9,265	1,376,933
	<u>1,018,571</u>	<u>349,097</u>	<u>9,265</u>	<u>1,376,933</u>

Christian Broadcasting Network (UK)

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2017

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31.3.17	31.3.16
	£	£
Staff costs	551,366	403,286
Hire of equipment	951	768
Rent re: Licences & other	25,119	24,486
Rates	4,904	5,357
Insurance	5,285	2,915
Light and heat	5,183	5,450
Telephone	19,921	19,394
Postage and stationery	73,804	65,764
Production & satellite fees	15,379	28,674
Sundries	2,517	1,392
Office expenses and repairs	70,112	55,922
Repairs and maintenance	4,190	3,567
Cast and talent fees	6,560	6,080
Bank charges	20,376	20,446
Travelling	47,660	36,444
Contract labour	91,709	33,160
Professional fees	61,217	43,631
Other employment costs	1,039	-
Depreciation	11,874	8,048
Loss on sale of assets	(595)	1,465
	<u>1,018,571</u>	<u>766,249</u>

7. GRANTS PAYABLE

	31.3.17	31.3.16
	£	£
Humanitarian Aid and Promotion of Christian Religion	<u>349,097</u>	<u>353,311</u>

The total grants paid to institutions during the year was as follows:

	31.3.17	31.3.16
	£	£
World Reach - Senegal	-	90,833
World Reach - Nigeria	192,078	-
World Reach - Germany	112,041	198,164
Challenge Community Church	-	500
Safe from Slavery	6,145	7,784
Other donations under £5,000	18,695	27,349
Convoy of Hope	-	5,081
Sporting Marvels	5,000	5,000
Christian Broadcasting Network (USA)	15,138	18,600
	<u>349,097</u>	<u>353,311</u>

Grants to institutions represent financial assistance for the institutions to pursue their charitable objects and activities.

8. SUPPORT COSTS

	Governance costs
	£
Humanitarian Aid and Promotion of Christian Religion	<u>9,265</u>

Christian Broadcasting Network (UK)

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2017

**9. NET INCOME/(EXPENDITURE)**

Net resources are stated after charging / (crediting):

	31.3.17	31.3.16
	£	£
Auditors' remuneration	7,650	6,852
Depreciation - owned assets	10,074	8,048
Operating leases	42,291	35,861
(Gain)/Deficit on disposal of fixed asset	(595)	1,465
Foreign (gains) / losses	(7,188)	(3,698)
	<u>          </u>	<u>          </u>

**10. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 March 2017 nor for the year ended 31 March 2016 .

**Trustees' expenses**

One trustee was reimbursed £7,685 (2016: £7,097) for the uses of a personal bank card to pay for expenses relating to the charity.

**11. STAFF COSTS**

	31.3.17	31.3.16
	£	£
Wages and salaries	516,418	376,415
Social security costs	34,169	26,871
Other pension costs	779	-
	<u>          </u>	<u>          </u>
	<u>551,366</u>	<u>403,286</u>

The average monthly number of employees during the year was as follows:

31.3.17	31.3.16
30	23
<u>      </u>	<u>      </u>

No employees received emoluments in excess of £60,000.

The key management personnel of the charity comprise the Trustees, the UK office director and the UK office manager. The total employee benefits of the key management personnel of the Trust were £83,162 (2016: £82,253). Trustees are not remunerated for their role.

**12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund	Restricted funds	Total funds
	£	£	£
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	1,143,762	97,177	1,240,939
Other trading activities	3,698	-	3,698
Investment income	26	22	48
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total</b>	<b>1,147,486</b>	<b>97,199</b>	<b>1,244,685</b>

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2017

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted funds £	Total funds £
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Humanitarian Aid and Promotion of Christian Religion	1,036,075	90,337	1,126,412
<b>Total</b>	<b>1,036,075</b>	<b>90,337</b>	<b>1,126,412</b>
<b>NET INCOME/(EXPENDITURE)</b>	<b>111,411</b>	<b>6,862</b>	<b>118,273</b>
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	100,159	50,692	150,851
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>211,570</b>	<b>57,554</b>	<b>269,124</b>

13. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>			
At 1 April 2016	4,886	73,398	78,284
Additions	8,992	13,448	22,440
Disposals	-	(3,823)	(3,823)
At 31 March 2017	<u>13,878</u>	<u>83,023</u>	<u>96,901</u>
<b>DEPRECIATION</b>			
At 1 April 2016	3,146	56,562	59,708
Charge for year	2,146	9,726	11,872
Eliminated on disposal	-	(3,668)	(3,668)
At 31 March 2017	<u>5,292</u>	<u>62,620</u>	<u>67,912</u>
<b>NET BOOK VALUE</b>			
At 31 March 2017	<u>8,586</u>	<u>20,403</u>	<u>28,989</u>
At 31 March 2016	<u>1,740</u>	<u>16,836</u>	<u>18,576</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.17 £	31.3.16 £
Other debtors	67,654	29,324
Prepayments and accrued income	9,960	10,316
	<u>77,614</u>	<u>39,640</u>

Christian Broadcasting Network (UK)

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2017

**15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.17	31.3.16
	£	£
Trade creditors	19,081	6,415
Social security and other taxes	8,583	7,890
Other creditors	503	-
Accruals and deferred income	4,463	6,564
	<u>32,630</u>	<u>20,869</u>

**16. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.3.17	31.3.16
	£	£
Within one year	42,291	35,564
Between one and five years	164,814	96,135
In more than five years	205,500	-
	<u>412,605</u>	<u>131,699</u>

**17. MOVEMENT IN FUNDS**

	At 1.4.16	Net movement in funds	At 31.3.17
	£	£	£
<b>Unrestricted funds</b>			
General fund	211,569	(63,609)	147,960
<b>Restricted funds</b>			
Restricted fund - Operation Blessing	26,061	10,946	37,007
Restricted fund - Orphans Promise	31,494	(3,531)	27,963
	<u>57,555</u>	<u>7,415</u>	<u>64,970</u>
<b>TOTAL FUNDS</b>	<u>269,124</u>	<u>(56,194)</u>	<u>212,930</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
<b>Unrestricted funds</b>			
General fund	1,228,039	(1,291,648)	(63,609)
<b>Restricted funds</b>			
Restricted fund - Operation Blessing	34,858	(23,912)	10,946
Restricted fund - Orphans Promise	57,842	(61,373)	(3,531)
	<u>92,700</u>	<u>(85,285)</u>	<u>7,415</u>
<b>TOTAL FUNDS</b>	<u>1,320,739</u>	<u>(1,376,933)</u>	<u>(56,194)</u>

**17. MOVEMENT IN FUNDS - continued**

**OPERATION BLESSING**

Operation Blessing provides humanitarian relief to people affected by disaster and poverty all over the World. It also provides financial support to individuals or organisations engaged in religious, educational and other charitable work. Operation Blessing relies almost entirely on charitable contributions from the private and public sector.

**ORPHANS PROMISE**

Orphans Promise provides orphan care and relief to vulnerable women and families in over 50 countries around the world. Founded by Terry Meeuwsen, co-host of CBN's flagship programme 'The 700 Club', Orphans Promise is providing shelter, education, medical relief and work opportunities to see children move from at risk to thriving. Orphans Promise is mainly depending on charitable contributions from the private and public sector. The SEED project (Something to Eat Every Day) in the Ukraine is funded from Orphans Promise charitable income.

**18. RELATED PARTY DISCLOSURES**

During the year to 31 March 2017, expenditure of £Nil (2016: £NIL) and income of £500 (2016: £NIL) was received from Exploits Ministry a company in which the wife of Mr P Darg, trustee, is Company Secretary. There were no amounts outstanding at the year end (2016: £Nil).

During the year to 31 March 2017, grants of £6,205 (2016: £7,784) were made to Safe for Slavery Ltd, a company in which the wife of Mr A Carter, Office Manager, is Company Secretary. There were no amounts outstanding at the year end (2016: £Nil).

During the year to 31 March 2017, the company made charitable contributions to CBN Germany, amounting to £143,399 (2016: £198,164), in which K Mitchell is also a Trustee. There were no amounts outstanding at the year end (2016: £Nil).

During the year to 31 March 2017, the company made charitable contributions to CBN Nigeria, amounting to £192,078 (2016: £NIL), in which K Mitchell is also a Trustee. There were no amounts outstanding at the year end (2016: £Nil).

During the year to 31 March 2017, the company made charitable contributions to CBN Senegal, amounting to £10,672 (2016: £90,833), in which K Mitchell is also a Trustee. There were no amounts outstanding at the year end (2016: £Nil).

**19. APB ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES**

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

**20. ULTIMATE CONTROLLING PARTY**

The company is jointly controlled by the Trustees.



Christian Broadcasting Network (UK)

Detailed Statement of Financial Activities  
for the Year Ended 31 March 2017

	31.3.17 £	31.3.16 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Donations and legacies	1,209,889	1,094,873
Gift aid	103,606	146,066
	<hr/>	<hr/>
	1,313,495	1,240,939
<b>Other trading activities</b>		
Exchange gains	7,188	3,698
<b>Investment income</b>		
Deposit account interest	56	48
	<hr/>	<hr/>
<b>Total incoming resources</b>	1,320,739	1,244,685
<b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Wages and salaries	516,418	376,415
National insurance contributions	34,169	26,871
Pension	779	-
Hire of equipment	951	768
Rent re: Licences & other	25,119	24,486
Rates	4,904	5,357
Insurance	5,285	2,915
Light and heat	5,183	5,450
Telephone	19,921	19,394
Postage and stationery	73,804	65,764
Production & satellite fees	15,379	28,674
Sundries	2,517	1,392
Office expenses and repairs	70,112	55,922
Repairs and maintenance	4,190	3,567
Cast and talent fees	6,560	6,080
Bank charges	20,376	20,446
Travelling	47,660	36,444
Contract labour	91,709	33,160
Professional fees	61,217	43,631
Other employment costs	1,039	-
Fixtures and fittings	2,147	435
Computer equipment	9,727	7,613
Loss on sale of tangible fixed assets	(595)	1,465
Grants to institutions	349,097	353,311
	<hr/>	<hr/>
	1,367,668	1,119,560
<b>Support costs</b>		
<b>Governance costs</b>		
Auditors' remuneration	9,265	6,852
	<hr/>	<hr/>
<b>Total resources expended</b>	1,376,933	1,126,412

This page does not form part of the statutory financial statements

Christian Broadcasting Network (UK)

Detailed Statement of Financial Activities  
for the Year Ended 31 March 2017

	31.3.17 £	31.3.16 £
<b>Net (expenditure)/income</b>	<u>(56,194)</u>	<u>118,273</u>

This page does not form part of the statutory financial statements