

REGISTERED CHARITY NUMBER: 1154646

**Report of the Trustees and
Financial Statements for the Year Ended 30 June 2017
for
Evangelical Press Missionary Trust**

Evangelical Press Missionary Trust

**Contents of the Financial Statements
for the Year Ended 30 June 2017**

	Page
Report of the Trustees	1 to 3
Independent Examiner's Report	4
Statement of Financial Activities	5
Balance Sheet	6
Notes to the Financial Statements	7 to 11

Evangelical Press Missionary Trust

Report of the Trustees for the Year Ended 30 June 2017

The trustees present their report with the financial statements of the charity for the year ended 30 June 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

The objects of the charity are to advance the Evangelical Christian Faith through the preparations, printing, publishing and distribution of Christian literature with the exception of any such literature published in the English language.

Significant activities

Evangelical Press Missionary Trust carries out its core mission by means of radio broadcasting, television, audio visual materials, leadership training and electronic media is used to communicate the Gospel of the Lord Jesus Christ.

Public benefit

The charity's aims and achievements are set out within this report. The activities set out in this report have been undertaken to further the charity's charitable purposes for the public benefit. The trustees have complied with the duty under Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission and the trustees have paid due regard to this guidance in deciding what activities the charity should undertake. Public benefit is seen in the publishing and promoting of Christian literature and education materials for the public in different countries and in different languages, primarily but not exclusively Russian and French.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The principal activity of the charity is the publication and sale of Christian literature in the French and Russian languages. This literature has been distributed to many countries through the Charity's representation in France, Ivory Coast, Benin Republic and other French speaking countries in the world. Translation and production of literature in the Russian language is centred in the charity's subsidiary in Minsk, Belarus.

The group's French subsidiary, Europresse s.a.r.l., made a loss of £30,255 (2016: profit of £12,201) for the year ended 30 June 2017. At the end of June 2017, the French Director M. Jean-Claude Souillot retired from managing the Charity's work in France. As a result the French subsidiary, Europresse s.a.r.l. is being closed down and all management and administration is being transferred to the Charity's head office in the United Kingdom. In addition the UK administrator, Mrs Pat Goodrich has also retired and as a result the administration of the Charity has been moved to its Registered Office in Darlington, County Durham. The Charity is very grateful to M. Souillot and Mrs Goodrich for their many years of dedicated and faithful service. M. Souillot will continue to have a role in the Charity's activities in Africa and Haiti.

The literature work of the Charity is supported by regular training and educational conferences held in a number of French speaking African countries. The speakers at these conferences are drawn from indigenous personnel augmented by those from France and elsewhere.

The Charity's activities in Eastern Europe are managed by Faverdale Trading Ltd. The Foreign Private Unitary (FPU) in Belarus is a wholly owned subsidiary of Faverdale Trading Limited. This company helps facilitate the distribution of the Charity's Russian literature in Belarus and other Russian speaking countries. An annual Summer School of study is sponsored to help train and educate local pastors and church workers.

However, Faverdale Trading Ltd is no longer serving a useful role in the management of the Charity's Eastern European activities and therefore is to close and the Belarus subsidiary will now report directly to the Charity's head Office in Darlington.

In view of the changes in the structure of the organisation, particularly relating to the work of French literature, the Board of Trustees have agreed that the cumulative monies in the overseas companies should now be considered as 'Overseas Missionary Support Costs' for the year under review. This is reflected in the Detailed Statement of Financial Activities at the higher level of £101,310 for 2017 (£23,653 for 2016). This will make the administration of the overseas companies more straightforward and more transparent in the future.

The Charity has been pleased to add Pastor Andrew Rowell of Carlisle, Cumbria and Pastor Jonathan Stobbs of Penzance, Cornwall to its Board of Trustees.

Evangelical Press Missionary Trust

Report of the Trustees for the Year Ended 30 June 2017

FINANCIAL REVIEW

Principal funding sources

The principal sources of funding are gifts and grants made by individuals, other trusts and charities together with the sale of books produced by the charity. The majority of direct costs of the charity relate to the production and distribution of these books.

Investment policy and objectives

The trustees have the power to invest in any investment they see fit, subject to conditions imposed or required by law.

Reserves policy

The charity holds unrestricted funds to cover ongoing costs in relation to the running of the charity. The level of reserves are reviewed by the trustees regularly throughout the period. The minimum level of reserves for the ongoing needs of the charity is reviewed by the trustees on an annual basis. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The trustees therefore consider it prudent to hold unrestricted reserves in the general fund in the form of free reserves (total funds less the amount held in tangible fixed assets), which amount to at least six months' running costs. Reserves as at 30 June 2017 amounted to £61,890 (2016: £142,124).

This is considered sufficient to cover the ongoing costs in relation to running the charity.

FUTURE PLANS

The Charity continues to seek to strengthen the Board of Trustees with suitably qualified and experienced personnel. In addition the Charity is seeking sponsors to fund the translation and printing of further Christian literature in the key areas of activity.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust and constitutes a Charitable Incorporated Organisation (CIO).

The charity registered on 19 November 2013.

Recruitment and appointment of new trustees

The trustees have the power to appoint any other person as a trustee subject to a maximum of twelve trustees.

Organisational structure

The trustees are responsible for all decisions and activities within the organisation. Specialised committees are responsible to the Board for the operations of the French language work through Europresse s.a.r.l. and Russian language work through Faverdale Trading Limited.

Induction and training of new trustees

New trustees will be invited and encouraged to attend a training session at the charity's registered office to familiarise themselves with the charity and the context in which it operates. They will be provided with a copy of the current version of the constitution and a copy of the CIO's latest Trustees' Annual Report and statement of accounts.

Related parties

Europresse s.a.r.l. and Faverdale Trading Limited are wholly owned subsidiaries of Evangelical Press Missionary Trust. Transactions between the entities are disclosed in Note 14.

Evangelical Press Missionary Trust

**Report of the Trustees
for the Year Ended 30 June 2017**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1154646

Principal address

3 Trinity Court
Faverdale North
DARLINGTON
County Durham
DL3 0PH

Trustees

R W Fay
J H Rubens
J D Norris
A Rowell - appointed 16 November 2016
J Stobbs - appointed 13 March 2017

Independent examiner

Antony Luckett BCom FCA DChA
Clive Owen LLP
Chartered Accountants
140 Coniscliffe Road
DARLINGTON
County Durham
DL3 7RT

Approved by order of the board of trustees on 7 March 2018 and signed on its behalf by:

J H Rubens - Trustee

**Independent Examiner's Report to the Trustees of
Evangelical Press Missionary Trust**

Independent examiner's report to the trustees of Evangelical Press Missionary Trust

I report to the charity trustees on my examination of the accounts of the Evangelical Press Missionary Trust (the Trust) for the year ended 30 June 2017.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I confirm that there are no other matters to which your attention should be drawn to enable a proper understanding of the accounts to be reached.

Antony Lockett BCom FCA DChA
Clive Owen LLP
Chartered Accountants
140 Coniscliffe Road
DARLINGTON
County Durham
DL3 7RT

7 March 2018

Evangelical Press Missionary Trust

**Statement of Financial Activities
for the Year Ended 30 June 2017**

		2017 Unrestricted fund £	2016 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	2	61,304	67,940
Charitable activities	3		
Charitable activities		<u>8,191</u>	<u>-</u>
Total		69,495	67,940
 EXPENDITURE ON			
Charitable activities	4		
Charitable activities		<u>139,729</u>	<u>49,617</u>
Total		139,729	49,617
Loss on disposal of investments		<u>(10,000)</u>	<u>-</u>
NET INCOME/(EXPENDITURE)		(80,234)	18,323
 RECONCILIATION OF FUNDS			
Total funds brought forward		142,124	123,801
 TOTAL FUNDS CARRIED FORWARD		<u><u>61,890</u></u>	<u><u>142,124</u></u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

Evangelical Press Missionary Trust

**Balance Sheet
At 30 June 2017**

	Notes	2017 Unrestricted fund £	2016 Total funds £
FIXED ASSETS			
Investments	9	1	10,001
CURRENT ASSETS			
Stocks	10	56,124	-
Debtors	11	2,603	133,540
Cash at bank		<u>4,562</u>	<u>568</u>
		63,289	134,108
CREDITORS			
Amounts falling due within one year	12	<u>(1,400)</u>	<u>(1,985)</u>
NET CURRENT ASSETS		<u>61,889</u>	<u>132,123</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>61,890</u>	<u>142,124</u>
NET ASSETS		<u><u>61,890</u></u>	<u><u>142,124</u></u>
FUNDS	13		
Unrestricted funds		<u>61,890</u>	<u>142,124</u>
TOTAL FUNDS		<u><u>61,890</u></u>	<u><u>142,124</u></u>

The financial statements were approved by the Board of Trustees on 7 March 2018 and were signed on its behalf by:

J H Rubens -Trustee

The notes form part of these financial statements

Evangelical Press Missionary Trust

Notes to the Financial Statements for the Year Ended 30 June 2017

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, 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 Charities Act 2011. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The charity has adopted the SORP (FRS 102) for the first time in the year ended 30 June 2017 and an explanation of how transition has affected the reported financial position is given in note 15.

The charity has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

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.

Stocks

Stocks are valued at the lower of cost and estimated selling price less costs to sell.

Taxation

The charity is exempt from tax on its charitable activities.

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.

Evangelical Press Missionary Trust

**Notes to the Financial Statements - continued
for the Year Ended 30 June 2017**

1. ACCOUNTING POLICIES - continued

Investments

Investments are stated at cost less provision for permanent diminution in value.

Financial instruments

Basic financial instruments are recognised at amortised cost with charges recognised in profit or loss.

Critical accounting judgements and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. There are no resulting accounting estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Critical areas of judgement:

In the application of the charity's accounting policies the trustees are required to make judgements, estimates and assumptions about the carrying amounts of certain assets and liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant.

2. DONATIONS AND LEGACIES

	2017 £	2016 £
Donations	<u>61,304</u>	<u>67,940</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	2017 £	2016 £
Publishing income	<u>8,191</u>	<u>-</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct costs £	Support costs (See note 5) £	Totals £
Charitable activities	<u>138,052</u>	<u>1,677</u>	<u>139,729</u>

5. SUPPORT COSTS

	Governance costs £
Charitable activities	<u>1,677</u>

Support costs, included in the above, are as follows:

Evangelical Press Missionary Trust

**Notes to the Financial Statements - continued
for the Year Ended 30 June 2017**

5. SUPPORT COSTS - continued

Governance costs

	2017 Charitable activities £	2016 Total activities £
Independent examiner's fees	<u>1,677</u>	<u>1,400</u>

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 June 2017 nor for the year ended 30 June 2016.

Trustees' expenses

There were no trustees' expenses paid for the year ended 30 June 2017 nor for the year ended 30 June 2016.

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	<u>67,940</u>
Total	67,940
 EXPENDITURE ON	
Charitable activities	
Charitable activities	<u>49,617</u>
Total	49,617
 NET INCOME/(EXPENDITURE)	 18,323
 RECONCILIATION OF FUNDS	
Total funds brought forward	123,801
 TOTAL FUNDS CARRIED FORWARD	 <u>142,124</u>

8. AVERAGE NUMBER OF EMPLOYEES

The average number of employees during the year was 1 (2016:1).

Evangelical Press Missionary Trust

**Notes to the Financial Statements - continued
for the Year Ended 30 June 2017**

9. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
MARKET VALUE	
At 1 July 2016	10,001
Disposals	<u>(10,000)</u>
At 30 June 2017	<u>1</u>
 NET BOOK VALUE	
At 30 June 2017	<u><u>1</u></u>
At 30 June 2016	<u><u>10,001</u></u>

Shares in group undertakings consists of a £1 investment in Faverdale Trading Limited. The charity owns 100% of this subsidiary. The results for the year are as follows:

	2017 £	2016 £
Aggregate capital and reserves		
Faverdale Trading Limited	(25,625) =====	(12,018) =====
 Profit/(loss) for the year		
Faverdale Trading Limited	(13,607) =====	(2,198) =====

Faverdale Trading Limited is incorporated in England. The principal activity of the subsidiary is the sale of books.

10. STOCKS

	2017 £	2016 £
Stocks	<u><u>56,124</u></u>	<u><u>-</u></u>

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade debtors	-	107,937
Other debtors	503	413
Amounts due from group undertakings	1,500	25,190
Prepayments and accrued income	<u>600</u>	<u>-</u>
	<u><u>2,603</u></u>	<u><u>133,540</u></u>

Evangelical Press Missionary Trust

**Notes to the Financial Statements - continued
for the Year Ended 30 June 2017**

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Accrued expenses	<u>1,400</u>	<u>1,985</u>

13. MOVEMENT IN FUNDS

	At 1.7.16 £	Net movement in funds £	At 30.6.17 £
Unrestricted funds			
General fund	142,124	(80,234)	61,890
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>142,124</u>	<u>(80,234)</u>	<u>61,890</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	69,495	(139,729)	(10,000)	(80,234)
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>69,495</u>	<u>(139,729)</u>	<u>(10,000)</u>	<u>(80,234)</u>

14. RELATED PARTY DISCLOSURES

As at 30 June 2017, £1,500 (2016: £25,190) was due from Faverdale Trading Limited, which is a subsidiary of the charity.

Included in trade debtors as at 30 June 2017, is an amount of £nil (2016: £72,506), due from Europresse s.a.r.l. which is a former subsidiary of the charity.

15. FIRST YEAR ADOPTION

The charity has adopted FRS 102 for the year ended 30 June 2017. No adjustments were required upon transition.