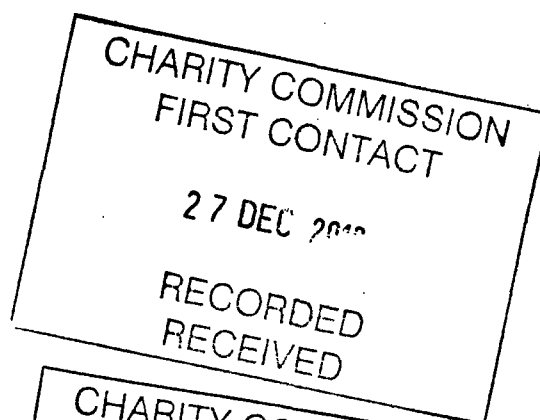


CHARITY REGISTRATION NUMBER 1129633
COMPANY REGISTRATION NUMBER 06780477

AUDACIOUS CHURCH
CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2018



AUDACIOUS CHURCH

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	G Barrett	
	S A Keir	
	N T Smith	
	R P Ray	
	D J McPhail	
	J Bracegirdle	(Appointed 13 August 2017)
	A Thomas	(Appointed 1 November 2018)
Secretary	G Barrett	
Charity number	1129633	
Company number	06780477	
Registered office	Unit 6 Deva Centre Trinity Way Manchester M3 7BB	
Auditors	UHY Hacker Young 6 Broadfield Court Broadfield Way Sheffield S8 0XF	
Bankers	Barclays Bank plc Business Direct Centre Leicester LE87 2BR	
	Lloyds Bank Market Street Manchester M1 1PW	
Solicitors	Geldards Number One Pride Place Pride Park Derby DE24 8QR	

AUDACIOUS CHURCH

CONTENTS

	Page
Trustees' report	1 – 4
Statement of trustees' responsibilities	5
Independent auditors' report	6 – 8
Consolidated statement of financial activities	9
Statement of financial activities	10
Consolidated balance sheet	11
Balance sheet	12
Statement of cash flows	13
Notes to the accounts	14 – 30

AUDACIOUS CHURCH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2018

The trustees present their report and accounts for the year ended 31 March 2018.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities

The church's objectives are set out by the trust deed as:

- the advancement of the Christian faith;
- the relief of sickness and financial hardship and to promote and preserve good health by the provision of funds, goods or services of any kind including through the provision of counselling and support;
- the advancement of education.

These objectives are achieved through the following activities:

- events and meetings to promote the Christian faith which are designed to be enthusiastic, lively, fun and educational. These are held on a regular basis, are open to all ages and are not dependent on social class or standing;
- offering support and counsel through the church leaders and in meetings to the church and community, promoting holistic healthy living for body, soul & spirit;
- inspiration & impartation to church leaders and other church members from the values of the Bible and where possible bringing practical application to the message; including hosting Luminous conference, the Culture summit, the School of Ministry and involvement in the church's programmes.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Details of the activities undertaken by the charity during the period are given under Achievements and performance.

Achievements and performance

Objective 1 – to advance the Christian faith in accordance with the statement in such ways and in such parts of the UK or the world as the world as the church leadership from time to time may think fit.

Audacious Church has again seen growth in this period, running four weekly weekend services across two campuses; having also launched an online campus, and bi-weekly location services across Greater Manchester to accommodate and create room for growth. There are around 5,000 people who call Audacious their home church, and we are averaging around 2,000 in any given week over our weekend services. We have an expectation that this figure will continue to increase, as it had done consistently since the church started. This continued growth can be attributed to God ordained leadership, vision, communication, excellence in all areas, contemporary music and a warm welcome. Our church vision is: "To be a church that stops the traffic, numerically so large that we transform business, education, entertainment & sports, family & healthcare, media, politics and spirituality; one person at a time".

AUDACIOUS CHURCH

TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2018

Objective 2 – to relieve sickness and financial hardship and to promote and preserve good health by the provisions of funds, goods or services of any kind including through the provision of counselling and support in such parts of the UK and the world as the church leadership from time to time think fit.

The church continues to provide pastoral care physically, spiritually and emotionally for its entire congregation, and many from outside the church.

We have strong partnerships with many charitable organisations; including Audacious Foundation, Macmillan Cancer Support and Safe Families for Children, as we continue to grow and provide increasing levels of support to many across Greater Manchester and Cheshire.

There are currently two campuses of Audacious Church, based in Manchester and Chester. In our Manchester Campus we are in a capital campaign to raise funds that will see a new building project on our current site, to facilitate the continued growth of the church. In our Chester campus we are now leasing our own premises that we have renovated in the year to become our church building to base our programmes and operations each day of the week.

In our Sunday services, we continue to see needs met as we pray corporately for health, wholeness, financial and family issues. Each week we receive reports from individuals within the congregation who let us know of prayer requests that have been resolved miraculously or practically.

Objective 3 – To advance education in such ways and in such parts of the UK or the world, as the church leadership from time to time may think fit.

Audacious continues to train individuals at all levels of life. Our weekend services continue to educate and carry practical application, our practical midweek life groups and courses teach individuals the values, vision and culture of our church and enables people to choose practical training that will help equip their life.

Subsidiary and other controlled companies

Audacious Church owns 100% of the share capital of Endeavour Worldwide Limited, a trading company which generates funds for the church. Endeavour Worldwide Limited operates from the church premises and its principal activity is the provision of car parking. At 31 March 2018 the net assets of Endeavour Worldwide Limited were £20 (2017: £18). Its turnover for the year ended 31 March 2018 was £170,275 (2017: £162,733) and its total resources expended were £91,236 (2017: £88,256) leaving a profit for the year of £79,039 (2017: £74,517) before gift aid donations to the parent charity.

Financial review

Incoming resources during the period totalled £3,320,233 (2017: £2,551,895) which has been at a level sufficient to satisfactorily achieve our commitments and undertakings.

The Statement of Financial Activities shows a net increase in funds of £1,244,762 (2017: £473,008). Restricted funds totalled £1,386,577 (2017: £510,250) and unrestricted funds £2,316,646 (2017: £1,528,686). The freely available unrestricted funds at 31 March 2018 was £77,552 (2017: £383,799). The trustees would wish to increase this in the future to allow the church to continue its current activities.

AUDACIOUS CHURCH

TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2018

Financial review (continued)

The Consolidated Statement of Financial Activities shows a net increase in funds of £1,244,764 (2017: £481,748). Incoming resources for the period totalled £3,401,471 (2017: £2,638,891). Restricted funds totalled £1,386,577 (2017: £510,250) and unrestricted funds £2,316,665 (2017: £1,528,703). The freely available unrestricted funds at 31 March 2018 was £76,950 (2017: £381,970).

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. The charity currently has an adequate level of reserves.

In this period we have continued to repay capital off our church building loan, having in December 2013 reduced our loan rate as well as our loan term from 20 to 15 years. We have used the venue to host conferences for other Christian organisations, that has both a financial and partnership benefit to church, as we seek to work alongside others.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the trust's aims and objectives and in planning future activities.

Future direction

We have exciting plans to develop our existing site to both generate funds and continue the growth and expansion of the church. The goal is to see a landmark and iconic building that can be used by all areas of the gateways of our city, over multiple storeys with numerous breakout rooms that would facilitate all our needs as a church in one site. We gained planning permission on 7 December 2017, and we are currently 24 months into a 30-month fundraising campaign to save for the deposit to start the building work, so our projected time for starting work on the new building would be 2019.

Structure, governance and management

The charity is a company limited by guarantee and a registered charity. The charity was incorporated on 28 December 2008 and became a registered charity on 15 May 2009. It commenced activities on 1 October 2009 when it took over the assets, liabilities and running of Audacious City Church (charity number 1120164) and The Faithworks (charity number 1052562). In 2012 the charitable company changed its name from Audacious City Church to Audacious Church and moved its registered office to Trinity Way, Manchester.

The trustees, who are also the directors for the purpose of company law, and who served during the period were:

G Barrett

S A Keir

N T Smith

R P Ray

D J McPhail

J Bracegirdle

A Thomas

(Appointed 13 August 2017)

(Appointed 1 November 2018)

AUDACIOUS CHURCH

TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2018

Structure, governance and management (continued)

Following AOG guidelines the church is required to have at least three trustees at any one time, one of whom is the senior minister, G. Barrett. When a vacancy occurs the senior minister shall nominate a potential new trustee deemed to have the relevant experience and commitment and the Church Council shall appoint this person.

The charity is managed by a board of experienced trustees, who are responsible for ensuring financial stability and providing professional and strategic advice on policy and resource management.

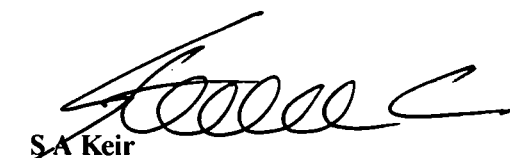
None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of winding up.

We have a salary banding structure, which we use as a benchmark to set all the staff salaries. As well as the salaried trustees, there is also key management salaries of £91,345 (2017: £109,000) which we benchmark against employees in similar managerial positions in other churches.

Disclosure of information to auditors

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

The trustees' report was approved by the Board of Trustees.



S.A Keir
Trustee

Dated: 21 December 2018

AUDACIOUS CHURCH

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2018

The trustees, who are also the directors of Audacious Church for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND TRUSTEES OF AUDACIOUS CHURCH

Opinion

We have audited the financial statements of Audacious Church (the 'charitable company') for the year ended 31 March 2018 which comprise the consolidated Statement of Financial Activities, the parent Statement of Financial Activities, the consolidated Balance Sheet, the parent Balance Sheet, the consolidated Statement of Cash Flows, the parent Statement of Cash Flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the accounts:

- give a true and fair view of the state of the group and the parent charitable company's affairs as at 31 March 2018 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusion relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the accounts is not appropriate; or
- the trustees have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the accounts are authorised for issue.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AUDACIOUS CHURCH (CONTINUED)

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of company law, for the financial year of which the accounts are prepared is consistent with the accounts; and
- the Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AUDACIOUS CHURCH (CONTINUED)

Responsibilities of the trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees, who are also the directors of the charitable company for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable preparation of accounts that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of the Part 16 of the Companies Act 2006. Our audit work has been undertaken, so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purposes. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Roland Givans (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young

21 December 2018

Chartered Accountants
Statutory Auditor

AUDACIOUS CHURCH

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2018

	Notes	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Income from:					
Donations and gifts	3	1,864,860	863,159	2,728,019	2,139,637
Charitable activities	4	302,291	52,690	354,981	194,727
Other trading activities	5	316,657	-	316,657	303,606
Investments	6	<u>1,814</u>	<u>-</u>	<u>1,814</u>	<u>921</u>
Total income		<u>2,485,622</u>	<u>915,849</u>	<u>3,401,471</u>	<u>2,638,891</u>
Expenditure on:					
Raising funds	7	151,735	1,398	153,133	154,500
Charitable activities	8	<u>1,965,450</u>	<u>38,124</u>	<u>2,003,574</u>	<u>2,002,643</u>
Total resources expended		<u>2,117,185</u>	<u>39,522</u>	<u>2,156,707</u>	<u>2,157,143</u>
Net incoming resources		368,437	876,327	1,244,764	481,748
Other recognised gains and losses					
Revaluation of tangible fixed assets		<u>419,525</u>	<u>-</u>	<u>419,525</u>	<u>-</u>
Net movement in funds		787,962	876,327	1,664,289	481,748
Fund balances at 1 April 2017		<u>1,528,703</u>	<u>510,250</u>	<u>2,038,953</u>	<u>1,557,205</u>
Fund balances at 31 March 2018		<u>2,316,665</u>	<u>1,386,577</u>	<u>3,703,242</u>	<u>2,038,953</u>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006 and has been prepaid on the basis that all operations are continuing.

AUDACIOUS CHURCH

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2018

	Notes	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Income from:					
Donations and gifts	3	1,864,860	863,159	2,728,019	2,139,637
Charitable activities	4	302,291	52,690	354,981	194,727
Other trading activities	5	146,382	-	146,382	140,833
Investments	6	<u>90,851</u>	<u>-</u>	<u>90,851</u>	<u>76,698</u>
Total income		<u>2,404,384</u>	<u>915,849</u>	<u>3,320,233</u>	<u>2,551,895</u>
Expenditure on:					
Raising funds	7	70,499	1,398	71,897	76,244
Charitable activities	8	<u>1,965,450</u>	<u>38,124</u>	<u>2,003,574</u>	<u>2,002,643</u>
Total resources expended		<u>2,035,949</u>	<u>39,522</u>	<u>2,075,471</u>	<u>2,078,887</u>
Net incoming resources		368,435	876,327	1,244,762	473,008
Other recognised gains and losses					
Revaluation of tangible fixed assets		<u>419,525</u>	<u>-</u>	<u>419,525</u>	<u>-</u>
Net movement in funds		787,960	876,327	1,664,287	473,008
Fund balances at 1 April 2017		<u>1,528,686</u>	<u>510,250</u>	<u>2,038,936</u>	<u>1,565,928</u>
Fund balances at 31 March 2018		<u>2,316,646</u>	<u>1,386,577</u>	<u>3,703,223</u>	<u>2,038,936</u>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006 and has been prepared on the basis that all operations are continuing.

AUDACIOUS CHURCH

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2018

	Notes	2018 £	2017 £
Fixed assets			
Tangible assets	13	3,873,896	2,925,967
Current assets			
Stocks	16	11,335	12,376
Debtors	17	463,729	248,096
Cash at bank and in hand		<u>1,294,500</u>	<u>931,574</u>
		1,769,564	1,192,046
Creditors: amounts falling due within one year	18	<u>(306,037)</u>	<u>(299,826)</u>
Net current assets		<u>1,463,527</u>	<u>892,220</u>
Total assets less current liabilities		5,337,423	3,818,187
Creditors: amounts falling due in more than one year	19	<u>(1,634,181)</u>	<u>(1,779,234)</u>
Net assets		<u>3,703,242</u>	<u>2,038,953</u>
Income funds			
Restricted funds	21	1,386,577	510,250
Unrestricted funds			
Retained within the charity		1,897,121	1,528,686
Revaluation reserve		<u>419,525</u>	<u>-</u>
		2,316,646	1,528,686
Non-charitable trading funds		<u>19</u>	<u>17</u>
		<u>3,703,242</u>	<u>2,038,953</u>

The financial statements were approved by the Trustees on 21 December 2018.


S A Keir
Trustee

Company Registration No. 06780477

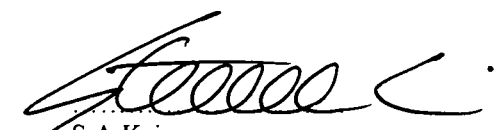
AUDACIOUS CHURCH

BALANCE SHEET

AS AT 31 MARCH 2018

	Notes	2018 £	2017 £
Fixed assets			
Tangible assets	13	3,873,274	2,924,120
Investments	14	<u>1</u>	<u>1</u>
		3,873,275	2,924,121
Current assets			
Stocks	16	11,335	12,376
Debtors	17	461,238	243,491
Cash at bank and in hand		<u>1,276,464</u>	<u>916,439</u>
		1,749,037	1,172,306
Creditors: amounts falling due within one year	18	<u>(284,908)</u>	<u>(278,257)</u>
Net current assets		<u>1,464,129</u>	<u>894,049</u>
Total assets less current liabilities		5,337,404	3,818,170
Creditors: amounts falling due in more than one year	19	<u>(1,634,181)</u>	<u>(1,779,234)</u>
Net assets		<u>3,703,223</u>	<u>2,038,936</u>
Income funds			
Restricted funds	21	1,386,577	510,250
Unrestricted funds			
General unrestricted funds		1,897,121	1,528,686
Revaluation reserve		<u>419,525</u>	<u>-</u>
		<u>2,316,646</u>	<u>1,528,686</u>
		<u>3,703,223</u>	<u>2,038,936</u>

The financial statements were approved by the Trustees on 21 December 2018.


S A Keir
Trustee

Company Registration No. 06780477

AUDACIOUS CHURCH

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2018

	Notes	Group		2017	
		2018		2017	
		£	£	£	£
Cash flow from operating activities					
Cash generated from operations	26		1,204,351		475,442
Investing activities					
Purchase of tangible fixed assets		(715,473)		(82,738)	
Proceeds on disposal of tangible fixed assets		1,000		200,000	
Investment income		<u>11,874</u>		<u>10,921</u>	
Net cash (used in)/generated from investing activities			(702,659)		128,138
Financing activities					
Repayment of bank loans		(138,766)		(159,198)	
Net cash used in financing activities			(138,766)		(159,198)
Net increase in cash and cash equivalents			362,926		444,427
Cash and cash equivalents at beginning of year			<u>931,574</u>		<u>487,147</u>
Cash and cash equivalents at end of year			<u>1,294,500</u>		<u>931,574</u>

	Notes	Charity		2017	
		2018		2017	
		£	£	£	£
Cash flows from operating activities					
Cash generated from operations	26		1,122,413		409,531
Investing activities					
Purchase of tangible fixed assets		(715,473)		(82,738)	
Proceeds on disposal of tangible fixed assets		1,000		200,000	
Investment income		<u>90,851</u>		<u>76,698</u>	
Net cash (used in)/generated from investing activities			(623,622)		193,960
Financing activities					
Repayment of bank loans		(138,766)		(159,198)	
Net cash used in financing activities			(138,766)		(159,198)
Net increase in cash and cash equivalents			360,025		444,293
Cash and cash equivalents at beginning of year			<u>916,439</u>		<u>472,146</u>
Cash and cash equivalents at end of year			<u>1,276,464</u>		<u>916,439</u>

AUDACIOUS CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

Company information

Audacious Church is a private company limited by guarantee incorporated in England and Wales. The registered office is Unit 6, Deva Centre, Trinity Way, Manchester, M3 7BB.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the main functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared on the historical cost convention modified to include the revaluation of freehold properties. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.4 Incoming resources

Donations, legacies and other forms of voluntary income are recognised as incoming resources when receivable, except insofar as they are incapable of financial measurement. Income resources are allocated to the different types of incoming resources and allocated between restricted and unrestricted funds according to their nature. Donated assets are recognised at market value.

Investment income is recognised as incoming resources when it becomes receivable.

Services provided by volunteers are not easily quantifiable and are not included in the financial statements.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business.

AUDACIOUS CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

1.5 Resources expended

Resources expended, inclusive of irrecoverable VAT, are recognised in the year in which they are incurred and are analysed in the statement of financial activities according to the nature of the expense.

Trading costs comprises the costs associated with trading for fundraising purposes.

Charitable activities represent the direct costs incurred in the provision of the company's services.

Support costs represent the indirect costs incurred by the charitable company.

Governance costs are those costs incurred in connection with compliance with statutory and constitutional requirements.

No costs have been apportioned.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Freehold land and buildings	-	2% straight line
Leasehold improvements	-	10% straight line
Fixtures, fittings and equipment	-	20% straight line/33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Assets costing less than £500 are not capitalised but are treated as revenue expenditure in the year that the expenditure is incurred. However, the trustees can capitalise items below this limit at their discretion.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/ (expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

AUDACIOUS CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

1.8 Impairment of fixed assets (continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured at cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.10 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

1.11 Pensions

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Basis of consolidation

The financial statements consolidate the accounts of Audacious Church and all of its subsidiary undertakings ('subsidiaries').

1.13 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowing in current liabilities.

1.14 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the charity becomes party to the contractual provisions of the instrument.

AUDACIOUS CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

1.14 Financial instruments (continued)

Financial assets are offset, with the net amounts presented in the accounts when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/ (expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/ (expenditure) for the year.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortisation cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

AUDACIOUS CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.15 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. There are no judgements or estimates which have a significant risk of causing material adjustment to the carrying amount of assets and liabilities.

3 Donations and gifts

	Group & Charity			
	Unrestricted funds	Restricted funds	Total 2018	Total 2017
	£	£	£	£
Donations and gifts	<u>1,864,860</u>	<u>863,159</u>	<u>2,728,019</u>	<u>2,139,637</u>
For the year ended 31 March 2017	<u>1,642,459</u>	<u>497,178</u>		<u>2,139,637</u>

AUDACIOUS CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

4 Charitable activities

	Group & Charity 2018 £	2017 £
Church departments and events	<u>354,981</u>	<u>194,727</u>
Analysis by fund		
Unrestricted funds	302,291	
Restricted funds	<u>52,690</u>	
	<u>354,981</u>	
For the year ended 31 March 2017		
Unrestricted funds		160,005
Restricted funds		<u>34,722</u>
		<u>194,727</u>

5 Other trading activities

	Group 2018 £	2017 £
Endeavour Worldwide Limited	170,275	162,773
Sales of resources	<u>146,382</u>	<u>140,833</u>
	<u>316,657</u>	<u>303,606</u>
	Charity 2018 £	2017 £
Sales of resources	<u>146,382</u>	<u>140,833</u>

6 Investments

	Group 2018 £	2017 £	Charity 2018 £	2017 £
Rental income	-	-	10,000	10,000
Income from unlisted investments	-	-	79,037	65,777
Interest receivable	<u>1,814</u>	<u>921</u>	<u>1,814</u>	<u>921</u>
	<u>1,814</u>	<u>921</u>	<u>90,851</u>	<u>76,698</u>

AUDACIOUS CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

7 Raising funds

	Group			
	Unrestricted funds	Restricted funds	Total 2018	Total 2017
	£	£	£	£
<u>Fundraising and publicity</u>				
Advertising	-	1,398	1,398	15,914
<u>Trading costs</u>				
Endeavour Worldwide Ltd	81,236	-	81,236	78,256
Sales of resources	<u>70,499</u>	<u>-</u>	<u>70,499</u>	<u>60,330</u>
	<u>151,735</u>	<u>1,398</u>	<u>153,133</u>	<u>154,500</u>
For the year ended 31 March 2017				
Trading costs	<u>138,586</u>	<u>15,914</u>		<u>154,500</u>

Raising funds include payments to the auditors of £1,100 (2017: £1,550) for services not connected to the charity and consolidated group accounts.

	Charity			
	Unrestricted funds	Restricted funds	Total 2018	Total 2017
	£	£	£	£
<u>Fundraising and publicity</u>				
Advertising	-	1,398	1,398	15,914
<u>Trading costs</u>				
Sales of resources	<u>70,499</u>	<u>-</u>	<u>70,499</u>	<u>60,330</u>
	<u>70,499</u>	<u>1,398</u>	<u>71,897</u>	<u>76,244</u>
For the year ended 31 March 2017				
Fundraising and publicity	-	15,914		15,914
Trading costs	<u>60,330</u>	<u>-</u>		<u>60,330</u>
	<u>60,330</u>	<u>15,914</u>		<u>76,244</u>

AUDACIOUS CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

8 Charitable activities

	Group & Charity	
	2018	2017
	£	£
Staff costs	882,560	807,704
Depreciation and impairment	184,764	159,404
Church departments and events	342,264	272,538
Hospitality	106,902	138,651
Other costs	<u>17,879</u>	<u>38,725</u>
	1,534,369	1,417,022
 Grant funding of activities (see note 9)	 45,481	 39,566
Share of support costs (see note 10)	421,124	542,955
Share of governance costs (see note 10)	<u>2,600</u>	<u>3,100</u>
	<u><u>2,003,574</u></u>	<u><u>2,002,643</u></u>
 Analysis by fund		
Unrestricted funds	1,965,450	
Restricted funds	<u>38,124</u>	
	<u><u>2,003,574</u></u>	
 For the year ended 31 March 2017		
Unrestricted funds		1,965,684
Restricted funds		<u>36,959</u>
		<u><u>2,002,643</u></u>

9 Grants payable

	Group and Charity	
	2018	2017
	£	£
Grants to institutions (4 grants):		
King of Kings Church	1,138	1,217
Planetshakers	4,068	3,388
Hope for Justice	3,600	3,600
Live Audacious	-	20,732
Audacious Foundation	27,888	-
Other	<u>-</u>	<u>3,837</u>
	36,694	32,774
 Grants to individuals (3 grants)	<u>8,787</u>	<u>6,792</u>
	<u><u>45,481</u></u>	<u><u>39,566</u></u>

AUDACIOUS CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

10 Support costs

	Support costs £	Governance costs £	Group and Charity 2018 £	2017 £	Basis of allocation
Loss on disposal of tangible fixed asset	80	-	80	20,406	
Rent, rates and utilities	160,680	-	160,680	192,499	
Insurance	10,997	-	10,997	11,546	
Repairs and cleaning	49,951	-	49,951	55,143	
Equipment hire	3,509	-	3,509	10,208	
Postage, stationery and advertising	5,460	-	5,460	8,516	
Telephone and fax	25,104	-	25,104	22,929	
Travelling	45,702	-	45,702	80,634	
Legal and professional	33,102	-	33,102	31,057	
Bank charges and mortgage interest	60,697	-	60,697	66,750	
General expenses	25,842	-	25,842	43,267	
Audit fees	-	2,600	2,600	3,100	Governance
	<u>421,124</u>	<u>2,600</u>	<u>423,724</u>	<u>546,055</u>	
Analysed between charitable activities	<u>421,124</u>	<u>2,600</u>	<u>423,724</u>	<u>546,055</u>	

Governance costs includes payments to the auditors of £2,600 (2017: £3,100) for audit fees. Support costs includes payments to the auditors of £3,784 (2017: £3,900) for other services.

11 Trustees

G Barrett, received emoluments of £69,000 (2017: £68,500) during the year for his services to the church and has pension contributions paid of £1,891 (2017: £1,593). His wife S Barrett, is also an employee of the church and received emoluments of £42,600 (2017: £41,434) and had pension contributions paid of £1,087 (2017: £812). G and S Barrett also received benefits in kind of £3,938 (2017: £5,296) for holding church meetings and events on behalf of the church at their home.

S A Keir, received emoluments of £50,604 (2017: £44,604) during the year for his services to the church and had pension contributions paid of £991 (2017: £693). His daughter, M Keir, is also an employee of the church and received emoluments of £7,900 (2017: £nil)

No other trustees received payment for any other expenses.

AUDACIOUS CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

12 Employees

Number of employees

The average number of employees during the year was:

	Group		Charity	
	2018 Number	2017 Number	2018 Number	2017 Number
Trustees of Audacious Church	6	5	6	5
Trustees/directors of subsidiaries	1	1	-	-
Employees	<u>49</u>	<u>38</u>	<u>48</u>	<u>37</u>
	<u>56</u>	<u>44</u>	<u>54</u>	<u>42</u>

Employment costs

	Raising funds £	Charitable activities £	Group	
			2018 £	2017 £
Wages and salaries	24,605	799,463	824,068	756,419
Social security costs	2,237	74,124	76,361	71,853
Other pension costs	<u>178</u>	<u>8,973</u>	<u>9,151</u>	<u>6,180</u>
	<u>27,020</u>	<u>882,560</u>	<u>909,580</u>	<u>834,452</u>

	Charity	
	2018 £	2017 £
Wages and salaries	799,463	732,144
Social security costs	74,124	69,695
Other pension costs	<u>8,973</u>	<u>5,865</u>
	<u>882,560</u>	<u>807,704</u>

The number of employees whose annual remuneration was £60,000 or more were:

	2018 Number	2017 Number
£60,000 to £69,000	<u>1</u>	<u>1</u>

The number of trustees for whom retirement benefits are accruing under money purchase pension schemes amounted to 2 (2017: 2). Contributions totalling £1,891 (2014: £1,593) were made to these pension schemes on behalf of employees whose emoluments exceeded £60,000.

AUDACIOUS CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

13 Tangible fixed assets

	Freehold land and buildings £	Group Leasehold improvements £	Fixtures fittings & equipment £	Total £
Cost				
At 1 April 2017	2,977,344	-	713,063	3,690,407
Additions at cost	223,954	247,263	244,256	715,493
Disposals	-	-	(1,800)	(1,800)
Revaluation	<u>53,702</u>	<u>-</u>	<u>-</u>	<u>53,702</u>
At 31 March 2018	<u>3,255,000</u>	<u>247,263</u>	<u>955,519</u>	<u>4,457,782</u>
Depreciation and impairment				
At 1 April 2017	301,821	-	462,619	764,440
Charge for the year	64,002	-	121,987	185,989
Eliminated in respect of disposals	-	-	(720)	(720)
Revaluation	<u>(365,823)</u>	<u>-</u>	<u>-</u>	<u>(365,823)</u>
At 31 March 2018	<u>-</u>	<u>-</u>	<u>583,886</u>	<u>583,886</u>
Carrying amount				
At 31 March 2018	<u>3,255,000</u>	<u>247,263</u>	<u>371,633</u>	<u>3,873,896</u>
At 31 March 2017	<u>2,675,523</u>	<u>-</u>	<u>250,444</u>	<u>2,925,967</u>

	Freehold land and buildings £	Charity Leasehold improvements £	Fixtures fittings & equipment £	Total £
Cost				
At 1 April 2017	2,977,344	-	708,159	3,685,503
Additions	223,954	247,263	244,256	715,473
Disposals	-	-	(1,800)	(1,800)
Revaluation	<u>53,702</u>	<u>-</u>	<u>-</u>	<u>53,702</u>
At 31 March 2018	<u>3,255,000</u>	<u>247,263</u>	<u>950,615</u>	<u>4,452,878</u>
Depreciation and impairment				
At 1 April 2017	301,821	-	459,562	761,383
Depreciation charged in the year	64,002	-	120,762	184,764
Eliminated in respect of disposals	-	-	(720)	(720)
Revaluation	<u>(365,823)</u>	<u>-</u>	<u>-</u>	<u>(365,823)</u>
At 31 March 2018	<u>-</u>	<u>-</u>	<u>579,604</u>	<u>579,604</u>
Carrying amount				
At 31 March 2018	<u>3,255,000</u>	<u>247,263</u>	<u>371,011</u>	<u>3,873,274</u>
At 31 March 2017	<u>2,675,523</u>	<u>-</u>	<u>248,597</u>	<u>2,924,120</u>

AUDACIOUS CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

13 Tangible fixed assets (continued)

The church's freehold land and buildings were externally revalued at £3,255,000 at their open market value in March 2018 by Savills, Chartered Surveyors. The trustees are of the opinion that the value at 31 March 2018 would not significantly differ from this valuation.

All the church's freehold land and buildings are subject to a mortgage with the balance owed at 31 March 2018 amounting to 54% (2017: 71%) of their net book value.

Comparable historical cost for the land and building included at valuation:

	Group & Charity	
	2018	2017
	£	£
Cost	3,201,298	2,977,344
Accumulated depreciation	<u>365,823</u>	<u>301,821</u>
At 31 March 2018	<u>2,835,475</u>	<u>2,675,523</u>

All other tangible fixed assets are stated at historical cost.

14 Fixed asset investments

	Charity	
	2018	2017
	£	£
Investments in subsidiaries	<u>1</u>	<u>1</u>

Fixed asset investments represent the cost of shares held in Endeavour Worldwide Limited, which is a UK company 100% owned by the church.

15 Financial instruments

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
Carrying amount of financial assets				
Debt instruments measured at amortised cost	1,372,992	965,796	1,352,465	946,056
Equity instruments measured at cost less impairment	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
	<u>1,372,992</u>	<u>965,796</u>	<u>1,352,466</u>	<u>946,057</u>
Carrying amount of financial liabilities				
Measured at amortised cost	<u>1,912,895</u>	<u>2,045,775</u>	<u>1,897,285</u>	<u>2,032,354</u>

16 Stocks

	Group & Charity	
	2018	2017
	£	£
Books and resources	<u>11,335</u>	<u>12,376</u>

AUDACIOUS CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

17 Debtors

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
Trade debtors	50,295	33,655	42,339	29,050
Amounts due from subsidiary undertakings	-	-	5,465	-
Other debtors	28,197	567	28,197	567
Prepayments and accrued income	<u>385,237</u>	<u>213,874</u>	<u>385,237</u>	<u>213,874</u>
	<u>463,729</u>	<u>248,096</u>	<u>461,238</u>	<u>243,491</u>

18 Creditors: amounts falling due within one year

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
Bank loans and overdrafts	143,690	137,403	143,690	137,403
Trade creditors	47,323	13,164	43,519	12,568
Amounts owed to group undertakings	-	-	-	29,253
Taxation and social security	27,323	33,285	21,804	25,137
Other creditors	19,875	50,505	9,875	9,527
Accruals	31,500	18,298	29,694	17,198
Deferred income	<u>36,326</u>	<u>47,171</u>	<u>36,326</u>	<u>47,171</u>
	<u>306,037</u>	<u>299,826</u>	<u>284,908</u>	<u>278,257</u>

19 Creditors: amounts falling due after more than one year

	Group & Charity	
	2018	2017
	£	£
Mortgage and loan	<u>1,634,181</u>	<u>1,779,234</u>
Analysis of mortgage and loan		
Not wholly repayable within five years by instalments	1,777,871	1,916,637
Included in current liabilities	<u>(143,690)</u>	<u>(137,403)</u>
	<u>1,134,191</u>	<u>1,779,234</u>
Loan maturity analysis		
Debt due in one year or less	143,690	137,403
In more than one year but not more than two years	147,780	141,715
In more than two years but not more than five years	469,064	441,454
In more than five years	<u>1,017,337</u>	<u>1,196,065</u>
	<u>1,777,871</u>	<u>1,916,637</u>

The mortgages are secured by a legal charge held over the freehold property owned by the charity.

AUDACIOUS CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

20 Pension and other post-retirement benefit commitments Defined contribution

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
Contributions payable by the group and charity for the year	<u>9,151</u>	<u>6,180</u>	<u>8,973</u>	<u>5,865</u>

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in independently administered funds. The pension cost charge represents contributions payable by the group to the fund.

21 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2017	Group and Charity Movement in funds		Balance at 31 March 2018
	£	Incoming resources £	Resources expended £	£
Macmillan Project	32,823	52,690	(38,124)	47,389
Vision Offering	477,380	863,159	(1,398)	1,339,141
Haiti Offering	<u>47</u>	<u>-</u>	<u>-</u>	<u>47</u>
	<u>510,250</u>	<u>915,849</u>	<u>(39,522)</u>	<u>1,386,577</u>

The Macmillan fund is a project where funds are received for the charity to provide care in the community for people suffering from cancer.

The Vision Offering was taken to raise funds to help the church to build new offices and a car park with the aim of generating more income for the church in the future.

The Haiti Offering was taken to help people suffering after the recent earthquake in Haiti. The money was given to another charity, Compassion, who were active in the location affected.

All restricted funds are considered to have sufficient resources held in an appropriate form to enable them to be applied in accordance with the restrictions.

AUDACIOUS CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

22 Analysis of net assets between funds

	Unrestricted funds £	Group Restricted funds £	Total £
Fund balances at 31 March 2018 are represented by:			
Tangible fixed assets	3,873,896	-	3,873,896
Current assets/(liabilities)	76,950	1,386,577	1,463,527
Creditors: amounts falling due after more than one year	(1,634,181)	-	(1,634,181)
	<u>2,316,665</u>	<u>1,386,577</u>	<u>3,703,242</u>

	Unrestricted funds £	Charity Restricted funds £	Total £
Fund balances at 31 March 2018 are represented by:			
Tangible fixed assets	3,873,274	-	3,873,274
Investments	1	-	1
Current assets/(liabilities)	77,552	1,386,577	1,464,129
Creditors: amounts falling due after more than one year	(1,634,181)	-	(1,634,181)
	<u>2,316,646</u>	<u>1,386,577</u>	<u>3,703,223</u>

	Unrestricted funds £	Group & Charity Restricted funds £	Total £
Unrealised gains included above:			
On tangible fixed assets	<u>419,525</u>	<u>-</u>	<u>419,525</u>
	<u>419,525</u>	<u>-</u>	<u>419,525</u>
Reconciliation of movements in unrealised gains			
Unrealised gains at 1 April 2017	-	-	-
Revaluation of tangible fixed assets	<u>419,525</u>	<u>-</u>	<u>419,525</u>
Unrealised gains at 31 March 2018	<u>419,525</u>	<u>-</u>	<u>419,525</u>

23 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		Charity	
	2018 £	2017 £	2018 £	2017 £
Within one year	59,032	58,454	58,191	46,441
Between two and five years	<u>149,411</u>	<u>15,624</u>	<u>149,411</u>	<u>15,624</u>
	<u>208,445</u>	<u>74,078</u>	<u>207,602</u>	<u>62,065</u>

AUDACIOUS CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

24 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel, none of whom were trustees, is as follows.

	Group & Charity	
	2018	2017
	£	£
Aggregate compensation	<u>91,345</u>	<u>109,000</u>

The trustees review payments made to employees in similar managerial positions in other churches and similar organisations when considering the levels of pay for key managers. The trustees also take into consideration the ability of the charitable company to be able to pay such salaries.

S A Keir and G Barrett, trustees of the church, were also trustees of Live Audacious, registered charity number 1108799. During the year Audacious Church operated a loan account with Live Audacious. Live Audacious collected registration fees on behalf of Audacious Church regarding the annual conference and then remitted them to Live Audacious. Live Audacious also paid expenses on behalf of Audacious Church. The net result of these transactions was that Live Audacious owed Audacious Church £2,026 (2017: £nil) for these items at 31 March 2018.

S A Keir and G Barrett, trustees of the church, were also trustees of Audacious Foundation, registered charity number 1173786. During the year Audacious Church operated a loan account with Audacious Foundation. Audacious Church made loans to Audacious Foundation to help Audacious Foundation to start trading. These loans will be repaid when Audacious Foundation is able to do this. Audacious Church also made donations to Audacious Foundation totalling £27,888. Audacious Foundation owed Audacious Church £25,685 (2017: £nil) at 31 March 2018.

25 Subsidiaries

These financial statements are separate company financial statements for Audacious Church.

Audacious Church owns 100% of the share capital of Endeavour Worldwide Limited, a trading company which generates funds for the church. Endeavour Worldwide Limited operates from the church premises and its principal activity is the provision of car parking. At 31 March 2018 the net assets of Endeavour Worldwide Limited were £20 (2017: £18). Its turnover for the year ended 31 March 2018 was £170,275 (2017: £162,733) and its total resources expended were £91,236 (2017: £88,256) leaving a profit for the year of £79,039 (2017: £74,517) before gift aid donations to the parent charity.

AUDACIOUS CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

26 Cash generated from operations

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
Surplus for the year	1,244,764	547,525	1,244,762	473,008
Adjustments for:				
Investment income recognised in statement of financial activities	(11,814)	(76,698)	(90,851)	(76,698)
Loss on disposal of tangible fixed assets	80	20,406	80	20,406
Depreciation and impairment of tangible fixed assets	185,989	160,629	184,764	159,404
Movements in working capital:				
Decrease/(increase) in stocks	1,041	(5,050)	1,041	(5,050)
(Increase) in debtors	(191,845)	(180,814)	(217,747)	(188,443)
(Decrease)/increase in creditors	<u>(23,864)</u>	<u>9,444</u>	<u>364</u>	<u>26,904</u>
Cash generated from operations	<u>1,204,351</u>	<u>475,442</u>	<u>1,122,413</u>	<u>409,531</u>