

The Angel Foundation

Trustees' report and consolidated
financial statements

Registered number 3818138

Charity number 1079501

31 March 2019

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Trustees' annual report

The Trustees, who are also directors for Companies Act purposes, present their annual report and the audited consolidated financial statements of the Charity for the year ended 31 March 2019. The Trustees have adopted the provisions of the Statement of Recommended Practice: 'Accounting and Reporting by Charities' (SORP 2015) and Financial Reporting Standard 102 (FRS 102) in preparing the annual report and accounts of the Charity.

Reference and administrative details

Charity number:	1079501
Company number:	3818138
Registered office:	27 Burrington Way, Plymouth, PL5 3LR
Independent Auditor:	KPMG LLP, Quayside House, 110 Quayside, Newcastle upon Tyne, NE1 3DX
Bankers:	Barclays Bank plc, 20 Lemon Street, Truro, Cornwall TR1 2NB
Solicitors:	Geldards LLP Dumfries House, Dumfries Place, Cardiff, CF10 3ZF

Directors and Trustees

The directors of the charitable company ("the Charity") are its Trustees for the purpose of Charity law and throughout this report are collectively referred to as the Trustees.

The Trustees who served during the year are named below:

S Beik
C Cole
DW Simpson
R Simpson
D Wright *resigned 21 Aug 2019*

Secretary

PV Le Druillenec

Strategic Report

Structure, governance and management

Governing document

The Charity is registered in England as a company limited by guarantee, governed by its Memorandum and Articles of Association.

Appointment of Trustees

The Articles of Association specify that the number of Trustees shall not be fewer than three and no fixed maximum number. Trustees must be over the age of 18 and are appointed by election by the current board of Trustees.

Trustee induction and training

All new Trustees appointed undergo training to brief them on their legal obligations under Charity and company law, and the content of the Memorandum and Articles of Association. They are also introduced to key employees and other Trustees.

Trustees' annual report *(continued)*

Structure, governance and management *(continued)*

Organisational structure

The Angel Foundation has its head office in Plymouth. Marketing and partner services in Scandinavia are operated from a virtual office in Norway, and a different virtual office in Germany looks after the same for the rest of continental Europe.

The following entities are consolidated within these financial statements:-

- (i) Angel Media Network (P) Limited (AMNP) based in India.
- (iii) The Dream Family Network Limited (DFN) based in the United Kingdom.

Angel Media Network (P) Limited, is a 100% owned subsidiary which sells airtime and negotiates distribution contracts with local suppliers. In the year ended 31 March 2019 the company made a profit of £8k before tax (2018: loss of £22k).

DFN is a 93% owned trading subsidiary and primarily handles the advertising and merchandising of books, CDs and DVDs on behalf of The Angel Foundation and GOD TV. In the year ended 31 March 2019 the company made a profit of £16k (2018: profit of £23k).

Related Parties

The Angel Foundation co-operates with the following charities which are independent from The Angel Foundation in their operations, but which raise funds locally for the pursuit of the same objects and help fund GOD TV.

- (i) Angel Christian Television Trust Inc (ACTT) based in United States of America
- (ii) Angel Christian Television China Limited (ACTC) based in Hong Kong
- (iii) Angel Television Africa (ATA) based in Cape Town
- (iv) Angel Christian Television Australia Limited (ACTA) based in Melbourne
- (v) Angel Christian Charitable Foundation India (ACCFI) based in Chennai (Madras)
- (vi) Angel Christian Television GTE (ACTN) based in Nigeria
- (vii) God TV Foundation (GTVF) based in Sri Lanka

The Board of Trustees and the Management

Ward Simpson

GOD TV Trustee / GOD TV CEO & Chairman

Ward is GOD TV's chairman and chief executive officer (CEO) and brings a wealth of experience in both business and ministry to GOD TV. As senior executive with the Simpson Group of companies, Ward managed an international automobile distribution corporation and as executive director of the Brownsville Revival School of Ministry (BRSM), he was part of the leadership team in Pensacola, Florida during the world famous Brownsville Revival. Ward is a product of revival and has a passion to see revival fires spread across the globe.

Stephen (Steve) Beik

GOD TV Trustee

An experienced attorney with about 40 years of legal expertise, Stephen Beik is based in Orlando, Florida; Steve has been a partner at law firms in Pennsylvania and Florida and ran his own practice for 10 years. He is a graduate of Wesleyan University, Vanderbilt University and the Vanderbilt School of Law and is associated with the American Bar, Florida Bar and the Orange County Bar.

Trustees' report (continued)

The Board of Trustees and the Management (continued)

Chris Cole

GOD TV Trustee

Chris is a leading figure in Christian broadcasting in the UK. He and his wife Kerry founded Cross Rhythms in the 1980s, a pioneering media ministry that collaborates with radio stations in Stoke on Trent, Plymouth and Stockton-on-Tees and 75 stations worldwide. Chris is now co-chair of Cross Rhythms and is a frequent radio host. He was a presenter on GOD TV's Dream on TV series and was GOD TV's Regional Director for the UK for six years. He has played a key role in the Christian Broadcasting Council of the UK and is the Chair of Cornerstone Vision, a marketing and publishing company and Chair of Trustees for the Gilead Foundations Charity, a rehabilitation centre in Okehampton. He has been a faithful friend of GOD TV for many years, was instrumental in the ministry moving to Plymouth and has been a trustee since 2015.

Rafael Simpson

GOD TV Trustee

Rafael Simpson is a serial entrepreneur with a passion for startup companies, with over 10 years of experience in building and growing online e-business. Rafael has founded companies in the apparel, Internet, and Energy industry. Rafael also consults for global brands in the areas of strategic fundraising, digital communication, and consumer engagement.

Mission Statement

"With a servant's heart we will equip His Body to reach the lost through media. This ministry exists to enable every television household to hear the gospel of Jesus Christ so that they may believe in Him, call upon His name, and be saved."

Vision Statement

"Our vision is to recognise, source, create, package and present world class anointed, prophetic, supernatural content in a spirit of excellence across the globe into every nation, reconciling man, woman and child with God by the power of the Holy Spirit."

Basis of Faith

The Angel Foundation uses the Evangelical Alliance Basis of Faith to ensure that participating individuals, churches and groups uphold the same values.

We accept the revelation of the triune God given in the Scriptures of the Old and New Testaments and confess the historic faith of the Gospel therein set forth.

We assert the following doctrines which we regard as crucial to the understanding of the faith and which should issue in mutual love, practical Christian service and evangelistic concern.

We Believe:

- The sovereignty and grace of God the Father, God the Son and God the Holy Spirit in creation, providence, revelation, redemption and final judgement.
- The divine inspiration of the Holy Scripture and its consequent entire trustworthiness and supreme authority in all matters of faith and conduct.
- The universal sinfulness and guilt of fallen man, making him subject to God's wrath and condemnation.
- The substitutionary sacrifice of the incarnate Son of God as the sole sufficient ground of redemption from the guilt and power of sin and from its eternal consequences.

Trustees' report (*continued*)

- The justification of the sinner solely by the grace of God through faith in Christ crucified and risen from the dead.
- The illuminating, regenerating, indwelling and sanctifying work of God the Holy Spirit.
- The priesthood of all believers, who form the universal Church, the Body of which Christ is the Head and which is committed by His command to the proclamation of the Gospel throughout the world.
- The expectation of the personal, visible return of the Lord Jesus Christ in power and glory.

Objectives and activities

Objects of the Charity

The objects of the Charity are the advancement of the Christian religion and education, and the relief of poverty, distress and sickness. The key objective and activity area of the Charity is the advancement of the Christian religion through all forms of media.

The principal manner in which The Angel Foundation achieves its objects is through the worldwide television Ministry, GOD TV. Further information can be found on the Ministry's website, www.god.tv.

History

GOD TV started broadcasting in October 1995 as The Christian Channel Europe through a company of that name now renamed The Dream Family Network Ltd. Since 2002, the UK and European activities of God TV have been in the care of The Angel Foundation. GOD TV aspires to reach one billion souls with inspired Christian television programmes.

"Go into all the world and preach the gospel to every creature." Mark 16:15

With a vision to reach ONE BILLION SOULS for the Kingdom, GOD TV is constantly exploring increased distribution opportunities to broadcast the Gospel of Jesus Christ from our Broadcast HQ in Jerusalem, to the ends of the earth.

With several separate feeds, carried on a multi satellite platform, the GOD Channel is currently broadcast around the world 24-hours-a-day, reaching 284 million homes – a figure which translates into over a billion people - in more than 200 nations & territories - who can watch the GOD Channel by a click of their remote control. GOD TV broadcasts into over 50% of UK TV households via Sky satellite, Freeview or Virgin Cable, and it is these viewers who provide the great majority of the donations received by The Angel Foundation.

The powerful free-to-air satellite signal is also pulled down and re-distributed by various cable networks in India, Nepal, Hong Kong, Nigeria, Cameroon, Europe and various Nordic countries. Additionally, the GOD Channel signal is re-broadcast through a number of terrestrial transmitters, for example in Africa, where the ministry presently has four transmitters in Kenya, covering a population of 13 million people.

Where the GOD Channel is not easily available through satellite, cable or terrestrial transmission, viewers can watch via web streaming. Every day we receive feedback from viewers in countries from South America to the Middle East who are watching through the Internet.

In 24 years, GOD TV has grown, from broadcasting two hours each day in 1995 to cover four fifths of the earth's surface, 24-hours-a-day. With ongoing steady growth in our distribution, we are well on our way to reaching our target of ONE BILLION SOULS.

Achievements and performance and future developments

Overview

Under the leadership of our CEO, Ward Simpson, our Board of Trustees, and the GOD TV team, the Angel Foundation continues to build upon our solid foundation of more than 24 years of innovative Christian Media. We remain committed to acquiring and producing the best possible Christian programming and increasing our distribution of this content wherever possible. This includes a new online initiative that is harnessing a vast audience for GOD TV through social media, video on demand and our digital magazine. We continue to receive positive feedback from viewers across the globe as well as readers on our websites and on Facebook, Twitter, Instagram and YouTube whose lives have been touched in some way by GOD TV.

Trustees' report *(continued)*

Achievements and performance and future developments *(continued)*

April 2018

Over Easter, GOD TV televised the Sunrise Service LIVE, direct from the Garden Tomb in Jerusalem on Resurrection Sunday. This was the first time we have done this. The service included an address by RT Kendall who pastored Westminster Chapel for 25 years. Call For Prayer was aired LIVE on 12 April with Judah and Rachel Cole of Open Well Church in Liverpool. April was a busy month for GOD TV with three new launches including Books For Life; the Normal Christian Life; and the Abba Sessions. Books For Life, filmed in Cheltenham features interviews and presentations from best-selling, mainly British authors like Adrian Plass. Hosted by Dr Krish Kandiah it features books that have impacted each author the most. Normal Christian Life is a Reality TV series from Australia focused on challenging believers to step out of their comfort zones and Abba Sessions offers hope to the children of divorce. Also in April, GOD TV India announced a distribution breakthrough. We are now available on SUN Direct DTH channel 609 and reach a total 110 million homes in India.

May 2018

During May GOD TV aired three major LIVE broadcasts, the US National Day of Prayer; the Presence Healing Conference in Holland and Burning Heals from Germany. Presence 2018, from 9-12th May was hosted by Jean-Luc Trachsel from Switzerland, with Ben Fitzgerald and Heidi Baker as keynote speakers. The Burning Hearts Pentecost hosted by Walter Heidenreich from 18-21 May with Bill Johnson, Heidi Baker and Daniel Kolenda. Our UK regional Director Fergus Scarfe was also in Germany to host the LIVE broadcasts. A new original series from GOD TV UK, 'Let's Get Real' launched on 21 May. Filmed in Manchester and produced by Samantha Stephen, who is GOD TV's Head of UK Production it comprises of 15 episodes featuring British Christian leaders, men and women, discussing how we as believers can be more authentic in our walk with God and in our relationships with others. The panel includes Sue Eldridge, Alison Wilson; Chris Larkin and Matj Rosso!

June 2018

June was a major fundraising month for GOD TV as we aired Vision Week LIVE from Orlando Florida and Plymouth, England. GOD TV CEO Ward Simpson was in the USA with special guests: Troy Brewer, Bishop Harry Jackson, Claud Bowers, Paul and Brenda Crouch, Scott Volk and others. Worship was led by Paul Wilbur and Lydia Marrow. Fergus Scarfe was in our UK studio along with GOD TV's regional directors from across the globe. The theme was 'Favour' with speakers teaching viewers how to obtain God's favour and walk in the fullness of his blessing. The GOD TV digital team launched the Israel Insider email newsletter each weekday providing the latest news from Israel.

July 2018

The GOD TV UK team hosted Danny & Sheri Silk in Plymouth for our July Call for Prayer. The Silks served for many years as key leaders at Bethel Church, Redding and joined Fergus Scarfe in the studio to pray for viewer's needs. Call For Prayer was broadcast LIVE worldwide and also as a Facebook LIVE with our Plymouth call centre experiencing high call volumes. A new series of Today With Ward was filmed in Orlando, Florida with GOD TV's CEO Ward Simpson interviewing men and women of God. The series is scheduled to air in September starting off with Olly Ryder of St Matthias Church, Plymouth, a fast-growing plant of HTB, London which has a vision for the evangelisation, revitalisation and transformation of the UK.

Trustees' report (*continued*)

Achievements and performance and future developments (*continued*)

August 2018

The GOD TV digital team announced that GOD TV now has 1.2 million likes on Facebook and GODTV.com is now receiving well over a million hits per month. It is fast becoming one of the globe's leading Christian media platforms offering an inspirational platform for engagement between believers of diverse backgrounds. With contributors from all over the world, GODTV.com aims to encourage, uplift and inspire, while making a bold stand for the issues that matter to Bible-believing Christians. GOD TV televised One Race LIVE from Stone Mountain in Georgia on 25 August. The One Race Movement aims to foster racial healing, bringing leaders of all races and ethnicities together to renounce the spirit of racism, stand for unity and bring about reconciliation.

September 2018

As part of a new strategy to better serve its partners in the UK, GOD TV hosted its latest sequence of regional partner dinners, starting in Manchester on 27th September. It was organised and hosted by GOD TV's new Head of Partnerships, Ian Young-Valentine and Fergus Scarfe who is Regional Director for the UK and Europe. GOD TV aired Portland 2018 LIVE from the USA and Awakening Europe direct from Baltija in Latvia. Such broadcasts maintain the network's position as a world leader in airing LIVE events from across the globe giving Christians everywhere an opportunity to participate in mass gatherings they could not possibly attend in person. GOD TV also offers regional updates. For example, Fergus Scarfe hosts UK Regional Update introducing viewers to both established and emerging British Christian voices. He also travels to countries like Holland and Germany to host European Regional Update.

October 2018

October started with LIVE coverage from the Day of Prayer for the Peace of Jerusalem and Awake Jerusalem followed by Call For Prayer LIVE and Vision Week. Vision Week aired LIVE from 8–11th October with GOD TV CEO Ward Simpson, Mark Chironna, Robert Henderson and others giving viewers an opportunity to support GOD TV by becoming a media missionary. Ward and his wife Lydia attended two events in London aimed at working more closely with local churches. The first was at Cornerstone Church pastored by Chris and Loraine Demetriou and was an opportunity for Ward to share his vision for Souls, Israel and Revival. The second was a breakfast at the Dorchester hotel, in partnership with Betty King ministries. UK ministry leaders attending the breakfast included Betty King; Bishop John Francis; Pastor Nims Obunge; Rev Yemi Adedeji and Charles Ajayi-Khiran. Mission Possible aired LIVE from the Netherlands.

November 2018

Living up to its reputation for providing refreshing new content GOD TV launched the series, Go Deeper with Bishop Mark Chironna. Viewers were also given the opportunity to reconnect with GOD TV co-founder Wendy Alec who presented an update on her life and ministry. She shared her vision for creative evangelism through the Chronicles of Brothers novels and announced a new season of her series Visions From Heaven, to air in December. Partner dinners were held in Ireland, firstly, in Belfast, Northern Ireland on 14th November and in Dublin the following day. LIVE broadcasts included Encountering the Supernatural LIVE from Miami, Florida with Renny McClean and Guillermo Maldonado. Meanwhile, in Melbourne, Regional Director for Australasia, Wayne Knapman attended Awakening Australia where he interviewed the speakers as part of GOD TV's coverage of this premier event. They included Bill Johnson, Heidi Baker, Ben Fitzgerald, Daniel Hagan, Todd White, Katherine Ruonala and others.

Trustees' report (*continued*)

Achievements and performance and future developments (*continued*)

December 2018

GOD TV said farewell to its Chief Financial Officer, Shaun Swanepoel. Based in Plymouth Shaun helped lead the network during a period of transition and was commended for his five years of dedicated service. In a further roll out of a new partnership strategy David Martin joined the UK team as Events Fundraiser. Partner events were held in Scotland, in Glasgow on 10th December and in Edinburgh the following day. GOD TV Plymouth closed the year with the completion of a building project bringing the team closer together in one building with new offices and kitchen and breakout area. In the build-up to the holiday season viewers were invited to participate in an advent fundraiser entitled, the GOD TV Christmas Challenge. With the theme, 'Prayer, Serving and Giving' viewers were invited each day to respond by reaching out to others as well as supporting GOD TV. Visions From Heaven aired with Wendy Alec and IHOPKC Onething was broadcast LIVE from Kansas City.

January 2019

The GOD TV team gathered together in the Plymouth office to start the year with worship, prayer and fellowship. Olly Ryder, vicar of St Matthias Church, shared an encouraging message for the year ahead and the team took communion together and prayed for one another and the GOD TV teams around the world. As usual, viewers were invited to start the year right by blessing Israel. Bless Israel 2019 focused on the estimated 865,000 Jewish and Arab children living in poverty in Israel and GOD TV's initiative in conjunction with Together For Israel to build playgrounds for underprivileged communities. GODTV.com had its best month to date with over 3.5-million page views. Headed by Rafael Simpson and Matt Bell, it is fast becoming one of the globe's leading Christian media platforms. With contributors from all over the world, it aims to encourage, uplift and inspire, while making a bold stand for the issues that matter to Bible-believing Christians. GOD TV participated in the Day of Prayer for Britain at the SSE Arena, Wembley on Saturday, January 26th.

February 2019

Following GOD TV's meetings with church leaders in London last October and the Day of Prayer for Britain it was decided GOD TV would host a prophetic gathering in London called the Courts of Heaven. The network started to actively promote the conference based on Robert Henderson's teaching on petitioning Heaven and praying for personal breakthrough as well as national breakthrough for Brexit-weary Britain. Robert was invited to be the keynote speaker at the event in June, along with Troy Brewer, Scott Volk and Larry Sparks from the USA and local speakers Betty King and Bishop John Francis. A highlight of February's programming was Awakening Australia televising sessions and interviews from the event in Melbourne. GOD TV's social media presence continued to grow with the addition of new pages for special interest groups. Its daily eblasts, The GOD TV Daily and Israel Insider compiled by Nathan Simpson continued to add new names to the network's substantial database of email subscribers. A new series 'Know the Cause' with Doug Kaufmann launched on February 4th.

March 2019

March was a major fundraising month for GOD TV with its annual Lent Appeal, this time entitled '40 Days to Overcome'. The campaign comprised of daily messages via email and social media on prayer, fasting and equipping oneself in God's Word. Plus, several broadcasts aired with Ward Simpson, Mark Chironna and Patricia King as well as regular updates from Fergus Scarfe and Ian Young-Valentine in the lead up to Easter. Ward Simpson visited Israel to host a ground-breaking ceremony for one of the new playgrounds GOD TV partners are financing. It was streamed on Facebook LIVE direct from Safed near the Sea of Galilee and included messages from Scott Volk of Together For Israel; GOD TV's Regional Director for Israel, Ron Cantor and the city's mayor, Yehoshua (Shuki) Ohana. Ward and Ron also recorded promotional material at the Sea of Galilee for GOD TV's 25th Anniversary, Arise Zion Israel Tour which takes place from 23 March to 1 April, 2020. Ward also hosted a GOD TV partner evening with the team in Manchester. Supernatural Life with Patricia King premiered on GOD TV on March 24th.

Trustees' report (*continued*)

Achievements and performance and future developments (*continued*)

April 2019

GOD TV's Easter programming comprised of Church with GOD TV, LIVE from Church of His Presence in Mobile, Alabama on Resurrection Sunday and a sunrise service from the Garden Tomb in Jerusalem. Other LIVE broadcasts included Call for Prayer LIVE with Lila Terhune where viewers were invited to send in their prayer needs and The Altar Conference from Fresno, California. Ian Young-Valentine shared the following update from the Partnerships team: "Over the past few months we've had the pleasure of meeting with partners across the UK at partner evenings in Cambridge, Nottingham, Middlesbrough and Newcastle and this week we head to London for two more partner evenings in Canary Wharf and Twickenham," he said. "It's been a joy to celebrate together all that God has been doing through the ministry and to hear testimonies of how GOD TV has made an impact on individual lives."

May 2019

GOD TV aired LIVE from the Caribbean for the first time with Gospel Fest 2019, an evening of celebration, worship, and creative expression from CEO Ward Simpson's home nation of Barbados. The network also carried Presence 2019 International Healing Conference LIVE from Switzerland with many of GOD TV's most popular speakers including Bill Johnson, Heidi Baker and Ben Fitzgerald. Mattheus Van Der Steen from the Netherlands; Jean-Luc Trachsel from Switzerland and Markus Wenz from Germany represented their countries. Plus Fergus Scarfe was in Geneva to present the broadcasts on air. GOD TV also televised the annual US National Day of Prayer LIVE from Washington, DC as it has done for many years. A new series, 'Encounter Israel' from the International Christian Embassy in Jerusalem (ICEJ) premiered on GOD TV on May 6th. Another partner dinner was held, this time in Leeds and GOD TV also hosted a partner meeting in Hamburg Germany.

June 2019

The Courts of Heaven Conference took place in London with Ward Simpson, Robert Henderson, Betty King, Troy Brewer, Scott Volk, Ron Cantor, Bishop John Francis and Ward Simpson. Over 800 people attended the 3-day event at the House of Praise in Camberwell, London. Delegates also heard from two GOD TV partners who attended, Jessica (who came to the regional dinner in Birmingham) and Charity, who have both filmed testimonies of how GOD TV has impacted their lives and brought them back from the brink of despair. "Only God could have put such a diverse mix of ministries together, creating a new momentum for the Body of Christ in the UK as we move together in unity, diversity and authority," said Ian Young-Valentine. "What a powerful truths we learnt about bringing our petitions to the throneroom of Heaven, and not only for our personal breakthrough but to stand as a representative before God for our nation, our culture, our community." GOD TV aired Awakening Europe LIVE from Vienna, Austria and launched a new series, Prophetic Edge with Larry Sparks.

July 2019

GOD TV hosted a partner evening in Exeter with Fergus Scarfe and Ian Young Valentine where they shared the ministry's vision of Souls, Israel and Revival. A new season of Richard Roberts – The Place for Miracles started on GOD TV in July as well as The Mum Show. GOD TV Trustee Chris Cole visited the Plymouth office to lead one of the ministry's regular staff meetings aimed at boosting staff morale and praying for the continued success of the ministry worldwide. The digital team led by Matt Bell in Austin, Texas continues to go from strength to strength, helping to make GOD TV self-funding with projects like God Today; GOD TV e-learning and through monetisation of the blog and Facebook Instant Articles. GOD TV now has 1.5 million followers on Facebook and is actively pursuing growth by acquiring other niche pages and increasing GOD TV's following through the use of shareable memes and more Facebook LIVE broadcasts. Matt can often be seen LIVE on Facebook as well as Grace Clibourn and Sarah Crockett who recently joined the team.

August 2019

Popular GOD TV speaker Andrew Wommack hosted the Healing is Here event LIVE on GOD TV. A new series 'It's All Greek to Me' launched on GOD TV during August, hosted by Chris Demetriou of Cornerstone Church. It aims to help viewers understand the Bible better by examining the context of the New Testament in the original language it was written in. A new season of Today With Ward also started featuring all the latest news from GOD TV, viewer testimonies and interviews with a new line-up of inspirational speakers. Chris Nichols joined the team as UK Finance manager in Plymouth. Paul Le Druillenec is back with GOD TV for the foreseeable future as Chief Financial Officer.

Trustees' report (*continued*)

Achievements and performance and future developments (*continued*)

Coming up

A new series will launch from Betty King in London, titled 'Influencers'. GOD TV is partnering with Christ for all Nations to televise the Light the Fire Revival Conference, Pensacola – LIVE. This is significant as GOD TV has broadcasted much content from the Brownsville Revival of 1995 to 2003 over the years and GOD TV's CEO, Ward Simpson, was a leader in the Brownsville revival movement. Partner meetings are due to be held in Bristol and Newport, Wales. Ward Simpson will be in Manchester and Birmingham in October. In November GOD TV revisits Ireland and then Scotland in December.

Financial review

In the year ended 31 March 2019, The Angel Foundation made a surplus of £0.8m compared to a deficit of £2.6m in the previous financial year. Year on year comparison highlights the following main differences

- Income from donations has increased by 43% or £1.7m. Donations in 2019 included £2.0m from Angel Christian Television Trust Inc (ACTT)
- Investment income ceased as we now sold all our properties and no longer receive rental income
- Expenditure on the programme library reduced by £46k as more programmes are being produced by our sister charity in the US, ACTT Inc
- Depreciation & impairment of library programmes reduced by £931k as more programmes are shown on video on demand
- Decrease in transmission costs by £120k mainly because of cancelling Unity Media contract in December 2019 and getting a credit of €180k on cancellation
- Increase in spending on advertisements by £60k to attract more new viewers
- £100k included in other costs relating to irrecoverable VAT on the sale of Angel House in the previous year
- Losses on sale of assets reduced by £94k as most property had been disposed of in previous years
- Increase of establishment costs by £193k as property had to be rented after the disposal in the previous year
- Decrease of staff costs by £58k as more production tasks are carried out by ACTT
- Increase in recharges to ACTT by £455k for higher share of costs of transmissions and exchange rate gains due to paying off AF creditors in the US

During the year, The Angel Foundation continued to work closely together with its sister charity in the US, Angel Christian Television Trust Inc (ACTT), with funds being transferred between the charities and accounted for in an intercompany account in their respective balance sheets. The balance owed by AF to ACTT at the beginning of the year was £1.3m and at the end of the year ACTT owed £46k to AF. The 2019 results include a donation of £2.0m from ACTT which has been used to reduce the creditor balance.

The Charity's wholly owned trading subsidiary, Angel Media Network Private Limited, showed a profit of £8k (2018: loss of 22k). The Charity's 93% owned trading subsidiary, Dream Family Network Limited made a profit of £16k (2018: profit of £23k).

The Trustees do not believe a material tax liability arises on the 2019 results, as detailed in note 7.

In the opinion of the Trustees the Charity's assets are sufficient to fulfil the obligations of the Charity.

The movement in the consolidated Statement of Financial Activities on unrestricted general funds amounted to a net inflow of £0.8m (2018: outflow of £2.6m). There was no movement on restricted funds (2018: £0).

Reserves and working capital policy

The Trustees have established the level of reserves (that is those funds that are freely available) that the Charity ought to have. Reserves are needed to bridge the funding gaps between spending on programme productions, transmission costs and the continuing contribution to the growth and revamp of GOD TV worldwide and receiving resources through Missions Weeks, advertising revenue and regular donors that provide funding. Reserves are also held to cover possible emergency costs and other expenditure. In addition, short term reserves will also be needed to sustain operations over the period when it is known that donations are small and there is a period of months until the next Missions Week. The Trustees therefore consider that the ideal level of reserves as at 31st March 2019 would be £600,000.

Trustees' report *(continued)*

Financial review *(continued)*

The actual free reserves at 31 March 2019 were negative at £1.1m (total funds (£424k) less fixed assets £692k), which is better than the prior year figure of £2.8m negative free reserves.

Risk policy

The Trustees have a risk management strategy which comprises:

- The Trustees periodically review the risks the Charity might face;
- The establishment of systems and procedures to mitigate those risks identified in the plan and
- The implementation of procedures designed to minimise any potential impact on the Charity should these risks materialise.

A key element in the management of financial risk is the setting of the reserves and working capital policy and its regular review by Trustees.

Anti-bribery policy

The Trustees are aware of the recent legislation and consider that the charity had not made any payments that could be considered as bribes. Payments to overseas bodies are monitored regularly and protocols adopted to govern such payments ensure that any potential bribes would be identified as such and steps be taken to recover these amounts. The Trustees have also adopted a Financial Crimes and a Whistleblowing policy to assist them with ensuring that the charity continues to operate within the guidelines of the Charity Commission of England and Wales.

Public benefit statement

When planning the charity's activities for the year, the Trustees have considered the Commission's guidance on public benefit and in particular the specific guidance for advancement of religion. The following benefits were achieved during the year:

- Increased coverage and viewership of GOD TV which enabled the gospel to be spread further
- Expansion of the web page, www.god.tv, which gave access to more partners and through web streaming allowed an alternative method to broadcasting on GOD TV for advancing the Christian religion
- Developing and nurturing partners through individual and corporate prayer
- Filming of Christian conferences and events which spreads the word of a living faith and impacts on the life of many viewers

The ministry of the charity has benefitted many people during the year, including the following:

- Viewers of GOD TV and visitors to the web page who are provided with worship, prayer and Christian education opportunities in addition or as an alternative to fellowship in local churches
- Partners who have benefitted from prayers for themselves and loved ones

Disclosure of information to auditors

The Trustees who held office at the date of approval of this Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each Trustee has taken all the steps that he ought to have taken as a Trustee to make himself aware of any relevant audit information and to establish that the Company's auditors were aware of that information.

Trustees' report (*continued*)

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the Trustees



PV Le Druillenec
Secretary

27 Burrington Way
Plymouth
PL5 3LR

24th December 2019

Statement of responsibilities of the Trustees of The Angel Foundation in respect of the Trustees' annual report and the financial statements

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

Company law requires the trustees to prepare financial statements for each financial year. Under that law they have are required to prepare the group and parent company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charitable company and of the group's excess of expenditure over income for that period. In preparing each of the group and charitable company financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- assess the group's and the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the group or the charitable company or to cease operations, or have no realistic alternative but to do so.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.



KPMG LLP

Quayside House
110 Quayside
Newcastle upon Tyne
NE1 3DX
United Kingdom

Independent auditor's report to the trustees of The Angel Foundation

Opinion

We have audited the financial statements of The Angel Foundation ("the charitable company") for the year ended 31 March 2019 which comprise the consolidated statement of financial activities (including income and expenditure account), Group and charity balance sheets, Group cash flow statement and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 March 2019 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 1 to the financial statements. The Group has net current liabilities of £1.1m at 31 March 2019 and is dependent upon the ongoing financial support of certain parties. The charity also has an uncertain VAT position with HMRC which is disclosed as a contingent liability in note 23. These events and conditions, along with the other matters explained in notes 1 and 23, constitute a material uncertainty that may cast significant doubt on the group's and the parent charity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the trustees, such as recoverability of intangible assets and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the Group's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the Group's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

Independent auditor's report to the trustees of The Angel Foundation *(continued)*

Other information

The directors are responsible for the other information, which comprises the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in the Trustees' Annual Report, which constitutes the strategic report and the directors' report for the financial year, is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- the charitable company has not kept adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company financial statements 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.

We have nothing to report in these respects.

Trustees' responsibilities

As explained more fully in their statement set out on page 12, 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the group's and 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 they either intend to liquidate the group or the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

Independent auditor's report to the trustees of The Angel Foundation *(continued)*

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of 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 purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.



Paul Moran (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Quayside House
110 Quayside
Newcastle upon Tyne
NE1 3DX

27 December 2019

Consolidated statement of financial activities (including income and expenditure account)

for the year ended 31 March 2019

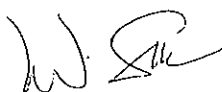
		Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
	Note				
Income from:					
Donations and legacies		5,698,390	-	5,698,390	3,981,857
Charitable activities:					
Broadcast of Christian television programmes	3	797,345	-	797,345	746,766
Merchandise		1,456	-	1,456	2,384
Investments		854	-	854	119,986
Other trading activities		7,862	-	7,862	2,850
Total income and endowments		6,505,907	-	6,505,907	4,853,843
Expenditure on:					
Charitable activities	5-6	5,355,226	-	5,355,226	6,953,618
Loss on disposal of tangible fixed assets		376,095	-	376,095	470,202
Total resources expended		5,731,321	-	5,731,321	7,423,820
Net incoming / (outgoing) resources before other recognised gains and losses	3-10	774,586	-	774,586	(2,569,977)
Other recognised gains/(losses)					
Gains/(losses) on foreign exchange movements		875	-	875	(29,546)
Net movement in funds		775,461	-	775,461	(2,599,523)
Reconciliation of funds					
Total funds brought forward		(1,241,113)	41,845	(1,199,268)	1,400,255
Total (deficit)/funds carried forward		(465,652)	41,845	(423,807)	(1,199,268)

The incoming resources and resulting net movement in funds arise from continuing operations.

Group and charity balance sheets
at 31 March 2019

	<i>Note</i>	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Fixed assets					
Tangible assets	12	68,997	470,539	62,667	463,108
Intangible assets	13	623,107	1,149,794	623,107	1,149,794
Investments	14	-	-	229,000	229,000
		<u>692,104</u>	<u>1,620,333</u>	<u>914,774</u>	<u>1,841,902</u>
Current assets					
Debtors	15	720,290	610,296	453,232	353,056
Cash and cash equivalents		170,482	315,831	162,546	297,586
		<u>890,772</u>	<u>926,127</u>	<u>615,778</u>	<u>650,642</u>
Creditors: amounts falling due within one year	16	<u>(2,006,683)</u>	<u>(3,744,153)</u>	<u>(2,015,018)</u>	<u>(3,733,526)</u>
Net current liabilities		<u>(1,115,911)</u>	<u>(2,818,026)</u>	<u>(1,399,240)</u>	<u>(3,082,884)</u>
Total assets less current liabilities		<u>(423,807)</u>	<u>(1,197,693)</u>	<u>(484,466)</u>	<u>(1,240,982)</u>
Creditors: amounts falling due after more than one year	17	<u>-</u>	<u>(1,575)</u>	<u>-</u>	<u>(1,575)</u>
Net liabilities		<u>(423,807)</u>	<u>(1,199,268)</u>	<u>(484,466)</u>	<u>(1,242,557)</u>
Funds					
Restricted reserves	19	41,845	41,845	41,845	41,845
Unrestricted general reserve	19	(415,378)	(1,188,814)	(526,311)	(1,284,402)
Foreign exchange reserve	19	(54,456)	(55,331)	-	-
Minority interests	19	4,182	3,032	-	-
		<u>(423,807)</u>	<u>(1,199,268)</u>	<u>(484,466)</u>	<u>(1,242,557)</u>

These financial statements were approved by the board of trustees on 24th December 2019 and were signed on its behalf by:



DW Simpson
Director

Charity number: 1079501

Registered number: 3818138

Cash flow statement
for the year ended 31 March 2019

	Group 2019 £	Group 2018 £
Cash flow from operating activities		
Net movement in funds	775,461	(2,599,523)
<i>Adjustments for non-cash items:</i>		
Depreciation, amortisation and impairment	769,941	1,806,288
Interest payable	72,213	90,475
Increase in debtors	(109,994)	(22,077)
(Decrease)/increase in creditors	(1,701,730)	529,520
Loss on disposal of tangible assets	376,095	470,202
	<hr/>	<hr/>
Net cash flow from operating activities	181,986	274,885
	<hr/>	<hr/>
Cash flows from investing activities		
Purchase of tangible fixed assets	(53,019)	(11,754)
Capitalised intangible fixed assets expenditure	(215,804)	(261,560)
Proceeds from sale of tangible fixed assets	-	1,222,200
	<hr/>	<hr/>
Net cash flows from investing activities	(268,823)	948,886
	<hr/>	<hr/>
Cash flows from financing activities		
Interest paid	(21,197)	(21,110)
Repayment of loans	(27,861)	(1,150,236)
Repayment of finance lease	(9,454)	(9,455)
	<hr/>	<hr/>
Net cash flows from financing activities	(58,512)	(1,180,801)
	<hr/>	<hr/>
(Decrease)/increase in cash and cash equivalents in the year	(145,349)	42,970
Cash and cash equivalents at the beginning of the year	315,831	272,861
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	170,482	315,831
	<hr/>	<hr/>

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with the Charities Statement of Recommended Practice (FRS 102) Standard applicable in the UK and Republic of Ireland, and the Companies Act 2006.

Basis of consolidation

The consolidated financial statements include the financial statements of the Charity and its subsidiary undertakings made up to 31 March. A subsidiary is an entity that is controlled by the parent. The results of subsidiary undertakings are included in the consolidated profit and loss account from the date that control commences until the date that control ceases. Control is established when the Charity has the power to govern the operating and financial policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable. Under Section 408 of the Companies Act 2006 the Charity is exempt from the requirement to present its own statement of financial activities. In the parent financial statements, investments in subsidiaries are carried at cost less impairment.

Going concern

The financial statements are prepared on a going concern basis which the Trustees believe to be appropriate based on the following assumptions:

The Trustees have prepared cash flow forecasts for a twelve month period from the date of approval of these financial statements, which they consider indicates that the group and charity can continue to operate and to meet their liabilities as they fall due, although the level of headroom in the forecasts is low. The following matters form an integral part of this assessment.

Reliance on third parties for financial support

The group had net current liabilities of £1.1m at 31 March 2019. The Trustees have instigated further budget cuts and new fund raising initiatives. The Trustees continue to monitor the working capital of the group and the charity which is to a large extent reliant on uncertain voluntary income, and will continue to instigate further fund raising and cost reduction actions as required.

In addition, The Angel Christian Television Trust Inc. (ACTT) has indicated to the Trustees that it will provide adequate financial support so as to ensure the continuity of the group and charity for a period of 12 months. ACTT is itself reliant on financial support from Simco Media LLC (SML) including SML not seeking repayment of amounts advanced by way of loans to ACTT. SML is a company under the control of Ward Simpson (a Trustee of The Angel Foundation).

A loan balance of £0.8m continued to be made available during the year from D & M Willett (note 16). This loan was originally taken out to fund the new premises in Plymouth (Drake's Hill Court) which was sold at a loss in October 2017. The remaining balance is now accruing interest of 5% pa which is cumulated every month and is paid off in monthly instalments over the next 10 years. D & M Willett have indicated to the charity that they will not seek immediate repayment as long as monthly payments are made.

In the year, ACTT made a donation of £2m to the charity which was used to settle the amounts owed to it by the charity. At the year end, a balance of £46k is owed by ACTT to AF on cumulative recharges, set off by AF costs paid for by ACTT.

The balance of £0.9m owed to SES SA for distribution services has been paid off in the year. Further amounts owed to SES SA at 31 March 2019 have subsequently been paid off before the signing of these accounts.

As with any entity placing reliance on third parties for financial support, the Trustees acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Notes (continued)

1 Accounting policies (continued)

Contingent liability – VAT

As disclosed in note 23 the charity has an uncertain VAT position with HMRC. HMRC are seeking up to £1.7m in additional VAT liabilities. The Trustees are challenging this assessment as they do not believe that this reflects the previously agreed position with HMRC. Whilst the Trustees believe their position to be supportable, they acknowledge that there is a risk that the charity could be required to settle the assessed VAT together with any associated penalties and interest that might accrue. Therefore the timing and amount of any settlement remains uncertain at the date of approval of these financial statements. No amounts have been provided in these financial statements in respect of this VAT issue, which has been treated as a contingent liability. Should any liability arise then the charity will need to secure increased levels of funding to cover this, and the forecasts do not currently include any provision for such payments.

Conclusion

Based on the above the Trustees believe that it remains appropriate to prepare the financial statements on a going concern basis. However, the above circumstances represent a material uncertainty that may cast significant doubt on the group and charitable company's ability to continue as a going concern and, therefore, to continue realising their assets and discharging their liabilities in the normal course of business. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

Company status

The charity is a company limited by guarantee. The members of the company are Stephen Beik, Ward Simpson, Rafael Simpson and Nathan Simpson. Stephen Beik, Ward Simpson and Rafael Simpson are also Trustees. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

Tangible fixed assets and depreciation

Tangible fixed assets costing more than £2,000 are capitalised and included at cost including any incidental expenses of acquisition. Depreciation is provided to write off the cost or valuation less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Freehold land and buildings	-	5% per annum
Leasehold property improvements	-	10% per annum
Equipment	-	25% per annum
Motor vehicles	-	25% per annum
Office furniture	-	25% per annum
Computer equipment	-	25% per annum

Intangible assets

Intangible assets comprise investment in a library of programmes of Christian film footage. These comprise both programming created by the charity and programmes purchased. These programmes are broadcast by the charity and are also licensed to other broadcasters.

These intangible assets are recorded at cost, after writing off the costs of programming that are considered to be irrecoverable, less accumulated amortisation. Cost includes all direct costs of production or in the case of purchased programmes, cost of purchase.

Amortisation is charged to the income and expenditure account over the estimated marketable life of the programme which is typically 10 years but which is reviewed annually and if no sale or broadcast has taken place, this is revised downwards during the year.

Notes (continued)

1 Accounting policies (continued)

Investments

Investments are stated at historic cost less provision for impairment.

Fund accounting

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available to be used in accordance with the charitable objects at the discretion of the Trustees.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors or which have been raised by the charity for a particular purpose. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes of the financial statements.

Investment income and gains are allocated to the appropriate fund on the basis of the cash balance attributable to each fund which generated the income or gain.

Foreign currencies

Transactions in foreign currencies are translated to the Group's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the statement of financial activities.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to the Group's presentational currency, Sterling, at foreign exchange rates ruling at the balance sheet date. The revenues and expenses of foreign operations are translated at an average rate for the year where this rate approximates to the foreign exchange rates ruling at the dates of the transactions. Foreign exchange differences arising on retranslation are recognised in other comprehensive income.

Leases

Leases in which the entity assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. All other leases are classified as operating leases. Leased assets acquired by way of finance lease are stated on initial recognition at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, including any incremental costs directly attributable to negotiating and arranging the lease. At initial recognition a finance lease liability is recognised equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments. The present value of the minimum lease payments is calculated using the interest rate implicit in the lease.

Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

Notes (continued)

1 Accounting policies (continued)

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Incoming resources

Voluntary income

Voluntary income is accounted for as received by the charity and comprises regular monthly giving by supporters and views of the channel, as well as one off donations in response to on air appeals. Tax recoverable on donations is accrued in the year of those donations.

Broadcast of Christian television programmes

Income from the broadcast of Christian television programmes represents net invoiced services, excluding value added tax.

Income received in advance for air space and advertising is deferred and released to the Consolidated Statement of Financial Activity in the period to which the broadcast relates.

Expenditure

Resources expended are allocated to a particular activity where the costs relate directly to that activity. Expenditure on management and administration of the charity includes all expenditure not directly related to the charitable activities.

All resources expended are inclusive of irrecoverable VAT.

Cash

Cash, for the purpose of the cash flow statement, comprises cash in hand and deposits repayable on demand.

Taxation

The Angel Foundation is considered to pass the tests set out in Chapter 13 Schedule 6, Part I Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2018 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Notes (continued)

2 Financial activities of the charity

The financial activities shown in the consolidated statement includes those of the charity's subsidiaries, The Angel Media Network Private Limited, which is wholly owned by the group, and The Dream Family Network Limited of which 93% is owned by the Group.

A summary of the financial activities undertaken by the charity is set out below:

	2019 £	2018 £
Gross incoming resources	6,099,416	4,496,939
Total expenditure on charitable activities	(5,282,516)	(6,993,197)
Governance costs	(58,809)	(117,069)
	<hr/>	<hr/>
Net movement in funds	758,091	(2,613,327)
Total funds brought forward	(1,24 2,557)	1,370,770
	<hr/>	<hr/>
Total (deficit)/funds carried forward	(484,466)	(1,242,557)
	<hr/>	<hr/>

3 Income from the broadcast of Christian television programmes

	2019 £	2018 £
Telecast sponsorship	755,275	686,911
Advertising	42,070	59,855
	<hr/>	<hr/>
	797,345	746,766
	<hr/>	<hr/>

4 Investment income and activities for generating funds

	2019 £	2018 £
<i>Investment income</i>		
Other interest	854	34,420
Rental income	-	85,566
	<hr/>	<hr/>
	854	119,986
	<hr/>	<hr/>
	£	£
<i>Activities for generating funds</i>		
Other income	7,862	2,850
	<hr/>	<hr/>
	7,862	2,850
	<hr/>	<hr/>

Notes (continued)

5 Resources expended

Broadcast and production of Christian television programmes

	Unrestricted 2019 £	Restricted 2019 £	Total 2019 £	Total 2018 £
Impairment of intangible fixed assets	373,936	-	373,936	1,297,800
Transmission costs	1,416,902	-	1,416,902	1,537,216
Amortisation charges on intangible fixed assets	317,507	-	317,507	324,851
Depreciation charges on tangible fixed assets	78,498	-	78,498	183,637
Staff costs	2,024,376	-	2,024,376	2,082,154
Freelance fees and temporary staff	164,797	-	164,797	280,356
Bank charges	55,386	-	55,386	55,446
Interest	72,213	-	72,213	90,475
Travelling and subsistence	244,801	-	244,801	257,280
Telephone, postage and stationery	216,349	-	216,349	311,290
Establishment costs	539,438	-	539,438	345,978
Tithe donations	2,700	-	2,700	177,321
Merchandise costs	700	-	700	1,650
Other (including foreign exchange gains and losses)	(212,100)	-	(212,100)	(114,289)
	<u>5,295,503</u>	<u>-</u>	<u>5,295,503</u>	<u>6,831,165</u>

6 Governance costs

	Unrestricted 2019 £	Restricted 2019 £	Total 2019 £	Total 2018 £
Legal and professional	35,755	-	35,755	94,853
Audit fees	23,968	-	23,968	27,600
	<u>59,723</u>	<u>-</u>	<u>59,723</u>	<u>122,453</u>

Notes (continued)

7 Movement in total funds for the year

	2019	2018
	£	£
This is stated after charging/(crediting):		
Impairment of intangible fixed assets	373,936	1,297,800
Depreciation of tangible fixed assets	78,498	183,637
Amortisation of intangible fixed assets	317,507	324,851
Loss/(gain) on disposal of tangible fixed assets	376,095	470,202
	<u> </u>	<u> </u>
<i>Auditor's remuneration:</i>		
	£	£
Audit of these financial statements	28,600	27,600
Audit of financial statements of subsidiaries	1,000	1,000
	<u> </u>	<u> </u>

The Trustees believe that no material tax liability arises on the activities of the charity and its subsidiaries in the year ended 31 March 2019. For this reason no provision for corporation tax is included in the results for the current year.

8 Trustees remuneration

None of the trustees received any remuneration in the year (2018: £nil). No contributions were paid to money purchase pension schemes (2018: £nil) and no expenses were reimbursed in the year (2018: £nil).

9 Staff numbers and costs

The average number of persons employed by the charity, as full time equivalents, (including trustees) during the year was as follows:

Number of employees	
2019	2018
49	56
<u> </u>	<u> </u>

The aggregate payroll costs of these persons were as follows:

	2019	2018
	£	£
Wages and salaries	1,789,542	1,836,230
Social security costs	234,834	245,924
	<u> </u>	<u> </u>
	2,024,376	2,082,154
	<u> </u>	<u> </u>

Notes (continued)

9 Staff numbers and costs (continued)

Employees receiving remuneration of more than £60,000 were as follows:

	Number of employees	
	2019	2018
£60,001 - £69,999	2	1
£70,000 - £79,999	1	2
£80,000 - £89,999	-	-
£90,000 - £99,999	-	-
£100,000 - £109,999	1	1

The above figures include statutory payments into the employees' pension funds.

10 Interest payable and similar charges

	2019	2018
	£	£
On bank loans	-	-
On other loans	72,213	90,475
	<u>72,213</u>	<u>90,475</u>

11 Prior period statement of financial activities

An analysis of the prior period statement of financial activities is shown below:

	Unrestricted funds	Restricted Funds	2018 Total funds
	£	£	£
Income and endowments from:			
Donations and legacies	3,981,857	-	3,981,857
Investments	119,986	-	119,986
Charitable activities:			
Broadcast of Christian television programmes	746,766	-	746,766
Merchandise	2,384	-	2,384
Other trading activities	2,850	-	2,850
Disposal of fixed assets	-	-	-
Total income and endowments	<u>4,853,843</u>	<u>-</u>	<u>4,853,843</u>
Expenditure on:			
Charitable activities	6,953,618	-	6,953,618
Loss on disposal of tangible fixed asset	470,202	-	470,202
Total expenditure	<u>7,423,820</u>	<u>-</u>	<u>7,423,820</u>
Transfers	-	-	-
Net outgoing resources before other recognised gains and losses	<u>(2,569,977)</u>	<u>-</u>	<u>(2,569,977)</u>
Other recognised gains	(29,546)	-	(29,546)
Net movement in funds	<u>(2,599,523)</u>	<u>-</u>	<u>(2,599,523)</u>

Notes (continued)

12 Tangible fixed assets

Group	Freehold land and property £	Leasehold property improvements £	Studio equipment £	Motor vehicles £	Office furniture & equipment £	Computer equipment £	Total £
Cost							
At 31 March 2018	89,607	570,853	763,582	28,682	47,223	1,181,690	2,681,637
Exchange adjustments	-	-	76	71	4	208	359
Additions	-	-	-	-	5,289	47,730	53,019
Disposals	(89,607)	(542,489)	-	-	-	-	(632,096)
At 31 March 2019	-	28,364	763,658	28,753	52,516	1,229,628	2,102,919
Depreciation							
At 31 March 2018	47,371	171,858	738,660	27,421	44,906	1,180,882	2,211,098
Exchange adjustments	-	-	46	65	6	210	327
Charge for year	4,104	52,762	13,999	247	2,426	4,960	78,498
On disposal	(51,475)	(204,526)	-	-	-	-	(256,001)
At 31 March 2019	-	20,094	752,705	27,733	47,338	1,186,052	2,033,922
Net book value							
At 31 March 2019	-	8,270	10,953	1,020	5,178	43,576	68,997
At 31 March 2018	42,236	398,995	24,922	1,261	2,317	808	470,539
Charity							
	Freehold land and property £	Leasehold property improvements £	Studio equipment £	Motor vehicles £	Office furniture & equipment £	Computer equipment £	Total £
Cost							
At 31 March 2018	89,607	570,853	743,799	10,194	46,049	1,126,988	2,587,490
Additions	-	-	-	-	5,289	47,730	53,019
Disposals	(89,607)	(542,489)	-	-	-	-	(632,096)
At 31 March 2019	-	28,364	743,799	10,194	51,338	1,174,718	2,008,413
Depreciation							
At 31 March 2018	47,371	171,858	725,045	10,194	43,734	1,126,180	2,124,382
Charge for year	4,104	52,762	13,114	-	2,426	4,959	77,365
On disposal	(51,475)	(204,526)	-	-	-	-	(256,001)
At 31 March 2019	-	20,094	738,159	10,194	46,160	1,131,139	1,945,746
Net book value							
At 31 March 2019	-	8,270	5,640	-	5,178	43,579	62,667
At 31 March 2018	42,236	398,995	18,754	-	2,315	808	463,108

Notes (continued)

12 Tangible fixed assets (continued)

Fixed assets include the following in respect of assets held on finance leases:

	2019		2018	
<i>Group and Charity</i>	Net book value	Depreciation charge	Net book value	Depreciation charge
	£	£	£	£
Property improvements	8,270	7,092	15,362	7,092

13 Intangible fixed assets

<i>Group and charity</i>	Investment in programmes £
<i>Cost</i>	
At 31 March 2018	7,884,955
Additions	215,804
Disposals	(56,735)
At 31 March 2019	8,044,024
<i>Amortisation</i>	
At 31 March 2018	6,735,161
Charge for the year	317,507
On disposals	(5,687)
Impairment	373,936
At 31 March 2019	7,420,917
<i>Net book value</i>	
At 31 March 2019	623,107
At 31 March 2018	1,149,794

14 Fixed asset investments

<i>Charity</i>	Shares in subsidiary undertakings £
<i>Cost</i>	
At beginning and end of year	3,033,649
<i>Provisions</i>	
At beginning of year	2,804,649
Impairment	-
At end of year	2,804,649
<i>Net book value</i>	
At 31 March 2019	229,000
At 31 March 2018	229,000

Notes (continued)

14 Fixed asset investments (continued)

The above subsidiary investments represent a 100% shareholding in Angel Media Network Private Limited, registered and based in India who sell airtime and negotiate distribution with local suppliers on God TV (see note 20) and a 93% shareholding in The Dream Family Network Limited which handles advertising and merchandising on behalf of The Angel Foundation.

15 Debtors

	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Trade debtors	240,942	118,115	232,688	114,495
Other debtors	33,539	240,357	28,564	238,561
Prepayments and accrued income	445,809	251,824	191,980	-
	<u>720,290</u>	<u>610,296</u>	<u>453,232</u>	<u>353,056</u>

16 Creditors: amounts falling due within one year

	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Other loans	766,405	794,266	766,405	794,266
Obligations under finance leases (note 17)	1,576	9,455	1,576	9,455
Trade creditors (note 22)	991,980	2,631,195	991,930	2,631,189
Amounts owed to group undertakings (note 22)	-	-	40,980	28,042
Sundry creditors	130,033	36,398	99,990	-
Taxation and social security	46,288	47,984	43,849	47,389
Accruals and deferred income	70,401	224,855	70,288	223,185
	<u>2,006,683</u>	<u>3,744,153</u>	<u>2,015,018</u>	<u>3,733,526</u>

Amounts secured in creditors falling due within one year.

	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Obligations under finance leases	1,576	9,455	1,576	9,455
Other loans	766,405	794,266	766,405	794,266
	<u>767,981</u>	<u>803,721</u>	<u>767,981</u>	<u>803,721</u>

Notes (continued)

16 Creditors: amounts falling due within one year (continued)

Other loans

The Charity has a loan agreement with D and M Willett. At 31 March 2019, an amount of £766,405 (2018: £794,266) remained outstanding in respect of this loan, which is denominated in US dollars and which was secured against the Drakes Hill Court building until its sale, and which was subsequently secured on the Charity's film library. Interest has been accrued at 5% on this loan. Although this loan is technically repayable on demand, the Group has received assurances from the lenders that there is no intention to seek repayment in the foreseeable future.

17 Creditors: amounts falling due after more than one year

	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Obligations under finance leases	-	1,575	-	1,575

Amounts secured in creditors falling due after more than one year.

	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Obligations under finance leases	-	1,575	-	1,575

18 Financial instruments

The carrying amounts of financial assets and liabilities include:

	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Assets measured at amortised cost				
Trade debtors	240,942	118,115	232,688	114,495
Other debtors	33,539	240,357	28,564	238,561
Liabilities measured at amortised cost				
Trade creditors	991,980	2,631,195	991,930	2,631,189
Sundry creditors	130,033	36,398	99,990	-
Amounts owed to group undertakings	-	-	40,980	28,042
Loans	766,405	794,266	766,405	794,266
Obligations under finance leases	1,576	11,030	1,576	11,030

	2019 £	2018 £
Debt excluding finance leases can be analysed as falling due:		
In one year or less, or on demand	766,405	794,266

Notes (continued)

18 Financial instruments (continued)

The maturity of obligations under finance leases is as follows:

	2019 £	2018 £
Within one year	1,576	9,455
Between one and two years	-	1,576
Between two and five years	-	-
	<u>1,576</u>	<u>11,030</u>

The obligations under finance lease are secured on assets to which they relate.

19 Funds

Group	At 31 March 2018 £	Income £	Expenditure £	Gains/ (losses) and transfers £	At 31 March 2019 £
Unrestricted general reserve	(1,188,814)	6,502,957	(5,729,521)	-	(415,378)
Foreign exchange reserve	(55,331)	-	-	875	(54,456)
Minority interests*	3,032	2,950	(1,800)	-	4,182
	<u>(1,241,113)</u>	<u>6,505,907</u>	<u>(5,731,321)</u>	<u>875</u>	<u>(465,652)</u>
Total unrestricted funds					
Restricted funds:					
Tsunami appeal	35,652	-	-	-	35,652
Sudan appeal	5,270	-	-	-	5,270
Kenya appeal	712	-	-	-	712
Haiti appeal	211	-	-	-	211
	<u>41,845</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>41,845</u>
Total restricted funds					
Total funds	<u>(1,199,268)</u>	<u>6,505,907</u>	<u>(5,731,321)</u>	<u>875</u>	<u>(423,807)</u>

*Represents a 7% (2018: 7%) holding in The Dream Family Network Limited.

The unrestricted general reserve represents the free funds of the charity which are not designated for particular purposes.

The Tsunami appeal fund represents funds raised specifically helping the clean up and survivors of the disaster.

The Sudan appeal fund represents funds raised specifically to hold conferences with Todd Bentley.

The Kenya appeal fund represents funds raised for humanitarian assistance such as drilling water wells.

The Haiti appeal fund represents funds raised specifically to provide relief for earthquake victims.

The foreign exchange reserve arises from the retranslation of the reserves of Angel Media Network Private Limited at the year end to account for up to date foreign exchange rates at the balance sheet date.

Notes (continued)

19 Funds (continued)

Charity	At 1 April 2018 £	Income £	Expenditure £	At 31 March 2019 £
Unrestricted general reserve	(1,284,402)	6,099,416	(5,341,325)	(526,311)
Total unrestricted funds	(1,284,402)	6,099,416	(5,341,325)	(526,311)
Restricted funds:				
Tsunami appeal	35,652	-	-	35,652
Sudan appeal	5,270	-	-	5,270
Kenya appeal	712	-	-	712
Haiti appeal	211	-	-	211
Total restricted funds	41,845	-	-	41,845
Total (deficit)/funds	(1,242,557)	6,099,416	(5,341,325)	(484,466)

20 Analysis of net assets between funds

Group	Restricted funds 2019 £	General funds 2019 £	Total 2019 £	Total 2018 £
Fund balances at the end of the year are represented by:				
Tangible fixed assets	-	68,997	68,997	470,539
Intangible fixed assets	-	623,107	623,107	1,149,794
Current assets	41,845	848,927	890,772	926,127
Current liabilities	-	(2,006,683)	(2,006,683)	(3,744,153)
Long term liabilities	-	-	-	(1,575)
Total net (liabilities)/assets	41,845	(465,652)	(423,807)	(1,199,268)
Charity	Restricted funds 2019 £	General funds 2019 £	Total 2019 £	Total 2018 £
Fund balances at the end of the year are represented by:				
Tangible fixed assets	-	62,667	62,667	463,108
Intangible fixed assets	-	623,107	623,107	1,149,794
Investments	-	229,000	229,000	229,000
Current assets	41,845	573,933	615,778	650,642
Current liabilities	-	(2,015,018)	(2,015,018)	(3,733,526)
Long term liabilities	-	-	-	(1,575)
Total net (liabilities)/assets	41,845	(526,311)	(484,466)	(1,242,557)

Notes (continued)

21 Subsidiary undertakings

The undertakings in which the company's interest at the year end is more than 20% are as follows:

	Country of incorporation	Principal Activity	Percentage of ordinary shares held
<i>Subsidiary undertakings</i>			
Angel Media Network Private Limited	India	Operating activities of charity in India	100%
The Dream Family Network Limited	UK	Selling advertising space for God TV	93%

22 Related party transactions

Charity

The following balances are outstanding at the year end in respect of subsidiaries which are not wholly owned by the Company:

	Balance payable by the company 2019 £	Balance payable by the company 2018 £
The Dream Family Network Limited (93% owned)	40,980	28,042

Charity and Group

The following organisations replicate the functions of The Angel Foundation in other geographical locations whilst remaining independent in operation. This balance is included in trade debtors (2018: trade creditors) and attracts interest at 2.5% above base rate.

	Balance receivable/(payable) by the charity and group 2019 £	Balance receivable/(payable) by the charity and group 2018 £
Angel Christian Television Trust Inc	46,277	(1,320,469)

In the year, the charity donated a property it owned in Rustenburg, South Africa, to its sister charity, Angel Television Africa (ATA). The property had a net book value of £376,095. The property was subsequently sold and the proceeds went to ATA to assist it in replicating the work of the charity in South Africa.

Balances arising with Angel Christian Television Trust Inc (ACTT) are disclosed above. During the year ACTT made a donation of £1,960,641 to the Charity which was used to reduce amounts owed by the Charity to ACTT. The donation is included in donations and legacies in the financial statements.

Notes (continued)

23 Contingent liability

The Charity is currently in discussion with HMRC in respect of a VAT assessment which, if fully upheld, could lead to the charity being liable for VAT to a total value of £1.7m. The Trustees have vigorously challenged the assessment as they do not consider the position taken by HMRC to be in line with a previously agreed position, and consequently, they do not expect to have to settle at the value assessed by HMRC. Whilst the Trustees consider their position to be supportable and do not consider, based on evidence to date, that a material settlement liability will arise from this issue, nevertheless they acknowledge that there is a risk that the Charity may be required to pay VAT and associated interest and penalties in respect of this matter, however the timing and the amount of any settlement remains uncertain at the date of approval of the financial statements.

24 Ultimate controlling party

The Board of Trustees is the ultimate controlling party of the Group and the Charity.