

#ELS2024

AWAKENING



FINANCE REPORTS

ELIM LEADERS SUMMIT 2024

14-16 MAY | HARROGATE CONVENTION CENTRE



ELIM FOURSQUARE GOSPEL ALLIANCE

CONSOLIDATED

FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2023

	PAGE
INDEX	
Legal and administrative details	2 - 3
Report of the trustees	4 – 18
Report of the independent auditors	19 – 22
Accounting policies	23 – 26
Consolidated statement of financial activities	27
Statement of financial activities - Charity only	28
Consolidated balance sheet	29
Charity balance sheet	30
Consolidated cash flow statement	31
Notes to the financial statements	32 - 45

LEGAL AND ADMINISTRATIVE DETAILS

Charity registration

England and Wales 251549
Scotland SCO37754

Registered Office

De Walden Rd
West Malvern
Worcestershire
WR14 4DF

Property Trustee

The Elim Trust Corporation

Directors of the Elim Trust Corporation

Rev S Blount	Rev D Campbell
Rev C P Cartwright (Chairman)	Rev D Clark
Rev D De Souza	Rev K Wood
Rev J J Glass	Rev A P Hudson
Rev E Michael	Rev H F Afflu
Rev S Ball	Rev M Ryan
Rev M A Nunn	K Devabalan

National Leadership Team and Trustees

Rev S Blount	Rev D Campbell
Rev C P Cartwright (Chairman)	Rev D Clark
Rev D De Souza	Rev K Wood
Rev J J Glass	Rev A P Hudson
Rev E Michael	Rev H F Afflu
Rev S Ball	Rev M A Nunn
Rev M Ryan	

Principal Officers

General Superintendent	Rev Chris Cartwright
Director of Ministry	Rev Stuart Blount
International Missions Director	Rev Iain Hesketh – resigned 15 September 2023
Irish Superintendent	Rev Edwin Michael
Director of Training	Rev David Newton – resigned
Evangelism Director	Rev Gary Gibbs – retired
National Director of Youth Ministries	Rev Tim Alford
Executive Director	Rev Olivia Amartey
National Administrator	Rev Sarah Bale
Finance Director	Kumar Devabalan

LEGAL AND ADMINISTRATIVE DETAILS

Bankers

Lloyds Bank Plc
130 High Street
CHELTENHAM
Gloucestershire
GL50 1EW

RBS / National Westminster Bank Plc
31 Promenade
CHELTENHAM
Gloucestershire
GL50 1LH

Solicitors

Anthony Collins Solicitors LLP
134 Edmund St
Birmingham
B3 2ES

Bates Wells & Braithwaite
2-6 Cannon Street
London
EC4M 6YH

Auditors

Moore Kingston Smith LLP
Chartered Accountants and Business Advisors
9 Appold Street
London
EC2A 2AP

Other advisers

Pension Fund Solicitors

Maria C. Riccio
Setfords Solicitors
Jenner House
1a Jenner Road
Guildford
GU1 3PH

Pension Fund Administrators

Spence & Partners Limited
Linen Loft
27-37 Adelaide Street
Belfast
BT2 8FE

Pension Fund Actuary

Richard Smith
Spence & Partners Limited
46 New Broad Street
London
EC2M 1JH

Solicitors in Scotland

Beveridge Philip & Ross
22 Bernard St
Leith
EDINBURGH
EH6 6PS

Solicitors in Northern Ireland

Cunningham and Dickey
18 May Street
BELFAST
County Antrim
BT1 4NL

TRUSTEES REPORT

Constitution and legal status

The constitution of the Elim Foursquare Gospel Alliance (“the Alliance”) was established by a Deed Poll registered on 10 April 1934, as amended by Deeds of Variation dated 14 January 1942, 12 September 2007, 25 May 2016 and a Deed disclosing the Irish Constitution in 1942. The Alliance is a registered charity in England and Wales (charity registration number 251549) and in Scotland (SCO37754).

Objectives and policies

The overall objective of the Alliance is the “Propagation of the Gospel of Jesus Christ”. Each and every activity included in these financial statements represents our present endeavours to that end. Some of the means set out for the achievement of these objects are the training and sending out of Ministers and Evangelists, the establishment of Churches, the issue of Christian publications and the operation of community and social programs.

As a movement, our four main strategic priorities at the core of our DNA are:

MAKING DISCIPLES

At the heart of everything we do is our shared mission to plant the gospel of Jesus Christ, in a relevant way, in individual lives and communities, making life-long disciples in the UK and nations across the globe. A disciple is more than just a church attendee; disciples are prepared to submit their lives to the call and cause of Christ. Embedded in every sphere of society, they seek to live out their commitment in a real way within their communities.

PLANTING AND GROWING CHURCHES

We are fully committed to our shared task of making the gospel of Jesus Christ known in individual lives and communities. We aim to facilitate the movement’s ever-increasing and effective planting of Elim churches across the nations.

REACHING NATIONS

Elim aims to be an international disciple-making movement with strategies for church planting and leadership development in the nations. We will do this through our continued focus on surrendering to the Spirit, sending and supporting missionaries, and the promotion of the Church in the UK and overseas.

TRAINING AND DEVELOPING LEADERS

We are committed to training, developing, and supporting leaders across the Elim movement and beyond, seeking to develop servant leaders who are committed to working on behalf of others and have a positive contribution to make in wider community life. We are thrilled when we see men and women serving God to their fullest potential, and individual growth is always in the stretch; it is rarely comfortable, but always retrospectively satisfying.

For more extensive details on our vision and performance relative to these objectives we would refer you to the reports for National Departments as published separately. Additionally, we would encourage you to access the Elim website using the following link. <https://www.elim.org.uk>

Public Benefit

The Trustees have considered the Charity Commission’s guidelines on public benefit and have reviewed the charity’s activities to ensure that they provide benefit to the public. In shaping and planning our activities the trustees always ensure that the programmes we undertake are in line with our main objective. We share with other Christian denominations a core belief in the gospel of Jesus Christ and in the personal transformation that results from believing in and following Him. Our churches and members are committed not just to speaking about Him but to demonstrating Christ’s love in practical action and service within their neighbourhoods and communities.

Values

Consistently MISSIONAL - intentional, adaptable, focused on Elim's four main strategic priorities

Courageous INTEGRITY - honest, trustworthy, consistent, discreet *"Doing the right thing, even when nobody is watching."* C. S. Lewis

Courteous SERVICE - politely passionate, humble, generous

Clear ACCOUNTABILITY - transparent stewardship, clear communication, excellent work ethic

Creative TEAMWORK - innovative, 'can do,' collaborative

Branches, connected trusts and subsidiary companies

The following entities are connected with Elim Foursquare Gospel Alliance:

Name	Country of Incorporation	Relationship	Address	Activity
Elim Church Incorporated	England & Wales	Common Directors	Elim International Centre De Walden Rd West Malvern WR14 4DF	Acts as an association of churches to promote the Christian religion
Elim Trust Corporation	England & Wales	Common Directors / Trustee	Elim International Centre De Walden Rd West Malvern WR14 4DF	Elim Trust Corporation acts as a Property Trustee for Elim Foursquare Gospel Alliance.
Elim Pentecostal Alliance Council	Northern Ireland	Common Directors / Trustee	Elim Corporate Office 14 Charleston Avenue Portadown N Ireland BT63 5ZF	Trustee for certain properties in Northern Ireland
EPC Services Limited	England & Wales	Wholly owned subsidiary	Elim International Centre De Walden Rd West Malvern WR14 4DF	Carries out any trading aspect of the Alliance with the major activity being the Elim Leadership Summit

A list of addresses and contacts for local churches is available from the Registered Office of the Alliance, or from the Charity website at www.elim.org.uk. This list includes details of churches associated through the Elim Church Incorporated (see above table).

Local churches are branches set up to conduct the business of the main charity in fulfilling its objectives.

Investments / management of resources

As the major demand for the Alliance is for property, the majority of resources are applied toward the acquisition and capital renovation programs on church buildings and manses for our ministers. Surplus funds across the charity will be invested internally via Elim Loans Administration towards these capital projects. Agreement has been reached with the main bankers to the effect that an allowance is made on the credit balances held in current accounts which is then applied towards subsidising bank charges levied on church accounts.

Reserves Policy

The Reserves as at the 30 September 2023 are detailed on the Balance Sheet on page 30.

The Alliance continues to hold general reserves, of which a significant proportion relates to funds applied in the provision of fixed assets, as an essential resource to the accommodation of local church activities.

The general free reserves are maintained in order to secure the future operations of the charity, in recognition of the fact that its income mainly comes from voluntary sources, but also that 28% of income is generated by Ancillary programs. Historically voluntary income has been very stable due to the commitment of support from church members and friends. However, the trustees seek to provide for a potential impact of the cashless society and the ongoing development of alternative methods of receiving donations, including digital resources.

To maintain the basic level of current activities for a period between 3 and 6 months, and fulfil annual obligations on liabilities our immediate target for free reserves will be a range of £18m to £36m. As at the financial year end general free reserves were £39.3m (2022: £40.9m) after allowing for pension reserve.

Voluntary income has increased by 10% this year and our primary income by way of gifts and offerings have been sustained at a level where adequate cash reserves are maintained. As at the financial year end cash reserves were £27.6m (2022: £30.2m)

Payment Policy

Payment to suppliers is generally made within the terms agreed on confirmation of order for goods or services.

Funding

The Trustees are satisfied that the charity's assets attributable to each of its individual funds are available and adequate to fulfil its obligations in relation to those funds. While individual activities are generally constructed so as to be self-funding the Trustees reserve the right to allocate finance from general unrestricted funds where this is felt to be essential or beneficial towards the fulfilment of our objectives.

Communication and Involvement of Members

The Alliance has continued its practice of maintaining communication to churches and their ministers and officers on matters affecting them in fulfilment of their roles, and financial and statutory factors impacting the Movement as a charity.

Direction Magazine continues to serve as a general news vehicle to the members and the general public.

The Conference Agenda includes annual reports from Alliance officers and departments and Financial Statements. Copies of the Conference Agenda are supplied to all ministers and church lay representatives. Members of Conference, individually or on behalf of their church, are able to add items to the agenda or raise comment on others, for discussion during the Conference sessions.

Our central website www.elim.org.uk is regularly updated, and has proved particularly vital in dissemination of practical advice and guidance.

All the central departments publish their own site, as do most of our churches throughout the UK. An online advice service Elim Hub, is maintained which focuses on administrative information and guidance for church leaders and officers, covering a wide range of topics including taxation, Health and

Safety, and Gift Aid procedures. Much of the information is available for download in PDF format. The national ministry departments also use the site to disseminate resources and communicate policy.

The General Superintendent maintains regular communications on major issues to ministers, church elders, and members.

Annual reviews on administrative matters are issued to finance officers and church administrators.

The Alliance has 10 Regions across the UK. Each is supervised by a Regional Leader / Superintendent, and has a co-ordinating committee made up of ministers and individuals from churches in that region. These regions have established their own local communications programs.

The activities of the Alliance would be impossible without the willing and generous participation of its members and friends. It would be impossible to number those involved, but research has shown that at least 30% of members will be directly involved in regularly sharing responsibilities in the activities of the Church. We would place on record our wholehearted appreciation for this ongoing support and look forward with our members to enjoying the fruit of their labours.

GOVERNANCE

Conference: The legislative body is the Conference, which meets at least annually and is comprised of a Representative and a Ministerial Session. The Representative Session consists of all ministers, and lay representatives appointed by the Churches. The Ministerial Session, which consists of ministers only, deals with all ministerial and pastoral subjects. All other matters, including the making of General Rules and Working Arrangements, are exclusively within the province of the Representative Session.

National Leadership Team: The members of the National Leadership Team listed on page 2 are the Trustees of the Alliance and served throughout the year unless a termination of office or appointment date has been reported.

The National Leadership Team (NLT) is appointed from among members of the Conference. The General Superintendent is nominated by the NLT of the day and submitted to Conference for a confirmatory vote. The individual so appointed serves for four years but is eligible for re-election. The General Superintendent nominates the members of the NLT on a rotational basis and these nominees are again subject to a confirmatory vote of the Conference, and successful candidates serve for four years. All the Ministers, and Lay Representatives from each Church, have votes in the election, which is conducted by postal ballot. The NLT meet at least five times per annum and are responsible for ensuring that procedures and working arrangements of the Constitution are applied in the activities of the Alliance and in the course of administration of the affairs of the Alliance. On appointment any new trustee is required to undergo an induction program to ensure awareness of responsibilities and current issues and circumstances, including sessions with charity executives and officers. Each year trustees are provided with ongoing training including input on statutory and regulatory developments from professional advisors.

The Elim Trust Corporation, a company limited by guarantee, was legally constituted to serve as a trustee for the Alliance in matters of property and business. A few properties are still held in trust for the Alliance by local trustees under the terms of a Model Trust Deed, and a further few properties are held under the auspices of the Elim Pentecostal Alliance Council. Most of these properties have been transferred under the auspices of the Elim Trust Corporation, and the process will continue for the remainder. The members of the National Leadership Team listed on page 2 and the Finance Director are the directors and served throughout the year unless a termination of office or appointment date has been reported. The Executive Director serves as Company Secretary

Officers and Committees, accountable to the NLT, are also appointed to ensure and assist with the smooth running of the charity.

Audit & Governance Committee (AGC): This committee operates under guidelines established by the Financial Reporting Council (FRC). Members are appointed by the National Leadership Team, to

whom they will seek to provide guidance and assurance on processes relative to management of corporate risk and governance.

Finance Board: The Board consist of four independent members appointed by the NLT, General Superintendent, Executive Director, Finance Director, and Chair of Pension Board. The Finance Board meet at least four times a year. The responsibilities of the Finance Board are to provide direction to the NLT for fiscal responsibility by overseeing effective financial planning, financial control and financial reporting in addition to effective oversight of the financial and operational performance of EFGA and advise the Trustees on the financial health, potential threats, and financial opportunities regarding the Charity. The Finance Board (or representatives) may act as a sounding board and source of advice to the Executive Director and the Finance Director on major areas of change, innovation and development as part of their strategic responsibilities.

Property and Projects Board: This body is constituted by Conference and consists of four members of the National Leadership Team, the Executive Director, the Strategic Property Manager, the Finance Director and a minimum of three Lay appointments approved by the National Leadership Team. The Board is responsible for supervision and monitoring the management and application of charity's property assets. Property and Projects Board replaced the previous Management Board when the Finance Board was formed.

Regions: These are comprised of groups of churches. A Regional Leader supervises two regions, with the support in each of a Regional Co-ordinator and Regional Committee. The Committee consists of the Regional Co-ordinator, four co-optees and four members appointed from within the region.

Church Leadership Teams: Responsible for the administration and management of the local Churches, general purposes, finances and personnel. Capital projects and expenditure require the approval of the NLT / Management Board. Appointments to the Church Session and appointments of church officers are governed by the local Church Constitution.

Salary Committee: Salaries for the General Superintendent and Regional Leaders are reviewed and set by the Salary Committee, which currently consists of the independent members serving on the Finance Board. The NLT are responsible for managing the salary payments for executive officers and heads of national departments. The Salary Committee also participate in reviews and recommendations on remuneration level for those serving as ministers in Elim churches and the relevant pensionable salary scales.

Remuneration of Trustees and related Parties

No salary is paid for holding position as a member of the NLT and therefore ex officio as a trustee of the Alliance. Since qualification for appointment requires that candidates must be credentialed ministers and serving in full time roles, all the individuals will be in receipt of payment of remuneration solely related to that function and not as trustees. In line with SORP requirements we have included details of those payments in the schedule below.

ELIM FOURSQUARE GOSPEL ALLIANCE
FINANCIAL STATEMENTS YEAR ENDED 30 September 2023

Summary of Salaried roles held by Trustees

Name	2023 Salary	2023 Employers N.I	2023 Pension	2022 Salary	2022 Employers N.I	2022 Pension	Position salaried
Chris Cartwright	91,070	11,398	6,335	87,567	11,337	6,030	Chris serves as General Superintendent, the most senior full time position in Elim, and global leader of the charity
Stuart Blount	66,639	7,908	5,904	64,076	7,948	5,679	Stuart is serving as national Director of Ministry
David Campbell	66,639	7,834	5,904	64,076	7,775	5,679	Serves as Regional Leader for the Metropolitan East and West Regions
Duncan Clark	63,097	-	5,904	60,667	-	5,679	Serves as Senior Minister of our church at Coventry
James Glass	66,639	8,001	5,904	64,076	7,948	5,679	Serves as Senior Minister of our church in Glasgow
Edwin Michael	63,300	6,375	5,904	60,000	6,969	5,679	Serves as Superintendent of Elim Ireland.
Paul Hudson	67,905	8,177	5,904	65,293	8,124	5,679	Serves as Regional Leader for Midlands and North East Regions
Dominic De Souza	52,068	-	5,475	49,985	-	5,259	Serves as Senior Minister at City Church Cardiff.
Steve Ball	66,637	8,001	5,904	64,074	7,948	5,679	Serves as Regional Leader for the Wales and Southern and South West Regions
Kojo Wood	55,000	-	5,475	22,917	-		Serves as Senior Minister of our church at Stevenage
Harold Afflu	26,695	-	5,658	11,221	-	2,282	Serves as Senior Minister of our church at Ipswich
Michelle Nunn	39,142	-	5,475	15,790	-		Serves as Senior Minister of our church at Nantwich
Mark Ryan	89,725	-	5,904	30,000	-	2,382	Serves as Senior Minister of our largest church, Kensington Temple in London and also as Regional Leader of the London City Region
	814,556	57,694	75,650	659,742	58,049	55,706	
Total per note 8 to the accounts	947,900			773,497			

Trustee - related Parties Name	2023 Salary			2021 Salary			Position salaried
Amanda Campbell	10,626	216		11,181			Part-time role as leader of Lifelink within the Elim International Missions department.
Caroline Wood	10,922	328	259	6,291	193	397	Part-time administrative and support role at our church at Stevenage
Beryl Glass	6,584			6,584			Part-time administrative role in the church in Glasgow since 2011, prior to her husband becoming a trustee. Now also a credentialed minister in training.
Margaret Michael	5,809			5,529			Part-time administration in Elim Ireland office
Catherine De Souza	34,716			33,050			Senior Leader at City Church Cardiff
Florence Afflu	10,000			3,917			Part-time administrative and support role at our church at Ipswich
Total per note 8 to the accounts	78,657			66,552			

Chris Cartwright (General Superintendent, most senior full time position in Elim) does not have any salary sacrifice arrangements or receive any non taxable benefits. Taxable benefits paid to General Superintendent in addition to what is listed above was private medical insurance of £1,388. The median of Regents College staff basic remuneration was £24,669 and General Superintendent's basic remuneration was 3.7 times this.

Disabled employees

Applications for employment by disabled persons are given full and fair consideration for all vacancies in accordance with their particular aptitudes and abilities. In the event of employees becoming disabled, every effort is made to retrain them in order that their employment with the charity may continue.

It is the policy of the charity that training, career development and promotion opportunities should be available to all employees.

Risk Management

The trustees recognise that the scope of our ministry and activity brings considerable responsibility and take seriously the need to ensure that the testimony of the Alliance is maintained at a high level. The executive officers together with the Audit and Governance Committee are commissioned to a perennial review of risk elements to ensure that the major risks have been identified and the relevant processes are in place to manage those risks as far as humanly possible.

Safeguarding:

The Elim Pentecostal Church is committed to safeguarding children and adults in need of protection. The Elim National Leadership Team acknowledges that safeguarding the vulnerable in our churches, activities and within the communities in which we work, both here and overseas, is of paramount importance and reflects the nature of Jesus Christ.

Elim requires each of its churches to adopt a safeguarding policy, carry out training and have good working procedures in place. Our model safeguarding policy and supplementary guidance for protecting adults are published on Elim Hub.

Financial Management:

We are mindful of the trust assigned to us when church members and friends commit to support us financially. It is important that we do not jeopardise our main source of income through voluntary donations and maintain a solid case for support. Financial protocols and disciplines have been well established, and performance at all levels is a specific matter of verification during annual audit process. Discipline in process is critical in maintaining the high integrity levels which are foundational to encouraging the trust of our supporters.

Elim is registered to the anti-fraud campaign with CFG. Fraud prevention videos have been obtained from our bankers and made available on Elim Hub to all church leaders. Staff at EIC have received training in fraud recognition and responses.

Many churches started utilising alternative digital donation options during Covid and our supporters continue to use these modes. This has greatly reduced the cash received in the churches. We continue to review and develop digital resources to ensure smooth process for donations.

The management of the Central Funds is based on a comprehensive budget reviewed annually by the Finance Board and NLT and churches are encouraged to operate on similar principles.

Expenditure on major capital projects across the Alliance is approved by the Property and Projects Board. The Property and Projects Board decisions are strengthened by the appointment of Lay members who possess expertise in property management. The brief of the Board is to review and approve applications on Capital projects as to context, concept, and costs.

Property Ownership

As Elim is a single entity charity it has exposure and responsibility across a wide spectrum of compliance requirements related to property ownership. Detailed policies with relevant operational guidance are provided on Elim Hub and reviewed by the Property and Projects Board. Property Handbook provides guidance on application for approval on major projects. Major property projects require approval from this Board, who consider implications on condition, structure, planning as well as finances. Health and Safety risk assessment policies and guidance is provided to all the churches and monitored and updated by the Strategic Property Manager. Elim has negotiated insurance cover which addresses all areas of liability and protection for its assets.

Data Protection

Elim has engaged a dedicated service provider to monitor and manage the processes for handling information across the wide spectrum of charity activity. Established practices and protocols are regularly reviewed to strengthen compliance with improved understanding of the evolving legislation. The Privacy Policy is published on our main central website.

We are also alert to the risk of cyber-attack on data held throughout the charity. Our central IT department monitors systems very closely and resources have been installed to defend against attack and protect the information held. Churches are advised with recommendations on options and practice on how to protect local data.

General

Alongside these major areas of sensitivity, which have potential subsequential financial risk Elim continues to monitor all operation protocols and processes. Seeking to ensure best practice across the many aspects of national and international ministry, we maintain a framework to receive and provide support including the following:

- Committee structure with regular meetings.
- Detailed terms of reference for each committee, together with formal agendas and minutes of all meetings.
- Accountability of all national officers and lines of reporting clearly established.
- Retaining third party consultants in particularly sensitive areas such as Human Resources and Child Protection etc.
- Regular update training for trustees and officers.
- Budget and management accounting and regular financial reporting.
- Strong internal controls.
- Subscription to relevant journals, literature and regular “watchdog” reports from various advisors.
- The development of the Elim Hub website resource to keep local church ministers and administrators informed and updated.
- The provision of charity specific insurance policies covering not only fixed assets of the Alliance but also major public and employment liabilities.
- An independent Audit and Governance Committee is in place with primary responsibility to review governance and processes.

Grant Policy

No donations were made to political organisations. Grants to external bodies are only made to those organisations and activities which are compatible with our charitable objectives. Grants to individuals are in keeping with the parameters of the relevant fund and restricted to those participating in ministry within the Alliance activities, or to alleviate poverty or hardship circumstances. Other national or central funds have been established from which grants are made to Elim churches towards the furtherance or maintenance of their activities.

Policy on funding of overseas activities

The Alliance maintains support for ministry and community projects overseas, both through its central Elim International Missions department and from local church resources. Many of the mission fields have now been developed and established with local indigenous government, operating under the statutory requirements of their national laws and regulations. The administration and application of the funds has therefore been placed in the hands of national leaders. Funding made available to other charities in respect of relief work etc is donated as restricted funds to the receiving charity. Such receiving charities are vetted by the International Missions Department and subject to approval by the National Leadership Team.

Payments can only be made to subsequently approved organisations and individuals, with all funds to third parties overseas being processed through the offices of the International Missions and subject to internal audit procedures.

Subsidiaries

EPC Services Ltd exists to provide for the administration of those central commercial activities which have been classified as trading and therefore subject to tax and VAT. Elim Leadership Summit is the major operation under its governance.

Fundraising Policy

The majority of our funds arise from voluntary donations received in the form of freewill church offerings including Gift aid donations. In recent years we have been very conscious of the growth of the “cashless society” and the “disappearing chequebook”. The onset of Covid19 confirmed the need to provide alternative facilities for members and supporters to make their donations.

We seek to provide access to viable alternative resources for local church and national ministries. These are mainly in the form of online digital options which enable direct donations via church websites, Paythru mobile text giving and the app-based donor resource from GIVT. While we advise our donors with these options, we do not promote them via any direct marketing activity. It is a tremendous encouragement to see a substantial increase in the use of these digital options and we anticipate that many donors will continue to access these facilities following a return to a more normal lifestyle

Elim is a member of the Institute of Fundraising and registered with the Fundraising Regulator, receiving monthly reports relative to any complaints – no complaints were reported last year nor received at our central denominational offices in Malvern.

Legacy Elim is a low cost will-writing scheme promoted via local churches and administered as a confidential independent advice service to members by Frodsham solicitors.

FINANCE DIRECTOR'S REPORT - REVIEW OF THE YEAR

The financial year started on the 1 October 2022, a week after the mini budget which was presented by the then Chancellor of the Exchequer on 23 September 2022. As we all know the financial markets reacted negatively to the budget, and eventually the Chancellor of the Exchequer and the Prime Minister resigned. The financial year ended on the 30 September 2023 and a week later the shocking attack on Israel took place. Some of these events are closer to home and some are far from home, however we always see an impact on our lives because of the modern globalised economy. We face new challenges as a Movement as various events takes place at home or around the world, but God remains the same, above it all because He has overcome the world.

Covid now seems to be in the distant past as all church activities have resumed to full operations, but the online streaming of events continues to serve an ongoing demand. The online streaming does not replace in person meetings. But it serves those who are unable to attend due to ill health or those who have moved out of the area or the ones who are used to the online services.

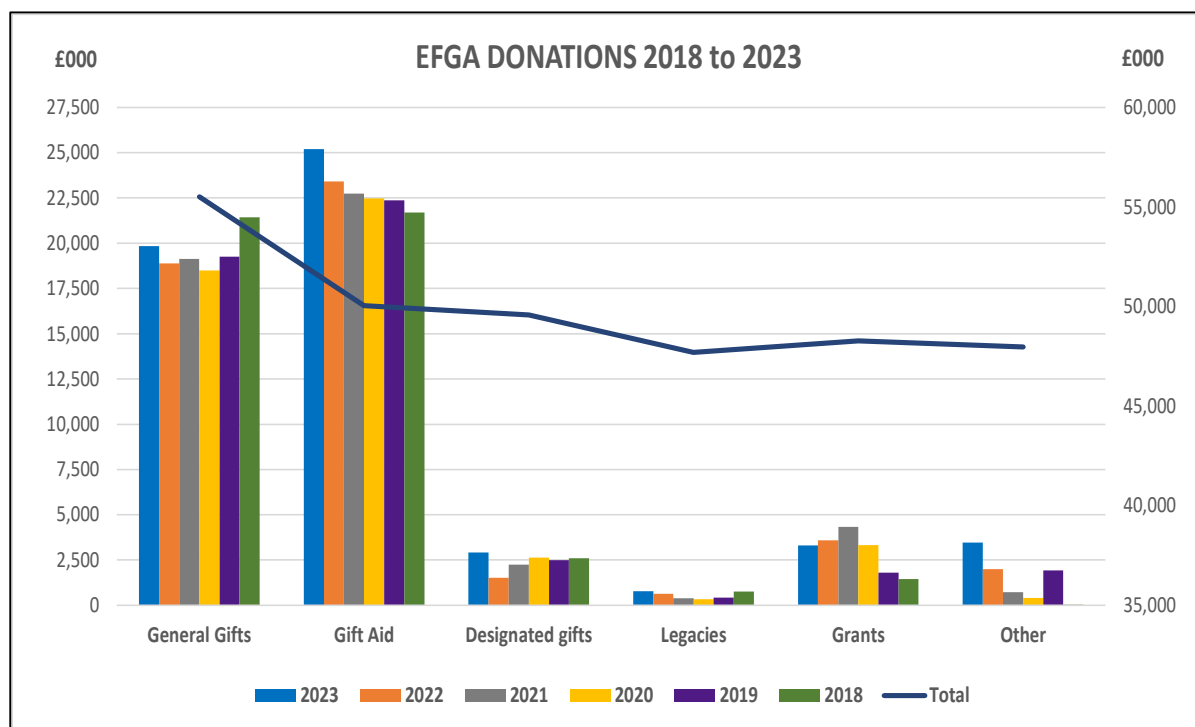
We are continually encouraged by how our churches and fellowships who have been committed and active in so many ways in expressions of ministry, outreach, support and care in communities across the nation. Churches are supporting communities during the cost-of-living crisis by providing Food Banks and offering Warm Places. Through the persistent service of Elim International Missions and our missionaries, the loving concern of Elim people has touched many parts of our world.

Many churches started utilising the alternative digital donation options during Covid and continue to use these modes, such as, Paythru and facilities offered by the Givt donation app. We also saw an increase in enquiries from churches about receiving donations by card, because the use of cheques and cash are reducing. Many churches are utilising the Cardnet service which offers suitable terminals based on the volume of use.

Overall charity income for the year of £78.9m (2022: £69.8m) reflected an increase of 13% on the previous year.

Note 1 from the Financial Statements (reproduced below) confirms an increase of 11% in Voluntary Income compared to 2022. We saw increases within various voluntary income categories, however, there was a small decrease in grants received. General gifts and offering increased by 5% as full church activities have resumed now. Increase of £1.8m in Gift Aid donations and tax rebate due to some churches claiming gift aid for previous periods. Designated gifts and offerings include the settlement with Lloyd's bank relating to one of the loans. Income from legacies increased by 23% in the year and we are grateful for all the generous gifts we received to support the Movement.

Voluntary Income	Total 2023 £	Total 2022 £
General Gifts and Offerings	19,830,176	18,891,718
Gift Aid donations and tax rebate	25,196,736	23,412,773
Designated gifts and offerings	2,918,149	1,517,629
Legacies	775,833	630,708
Grants received	3,315,126	3,588,964
Other donations	3,471,573	2,008,817
	55,507,593	50,050,609

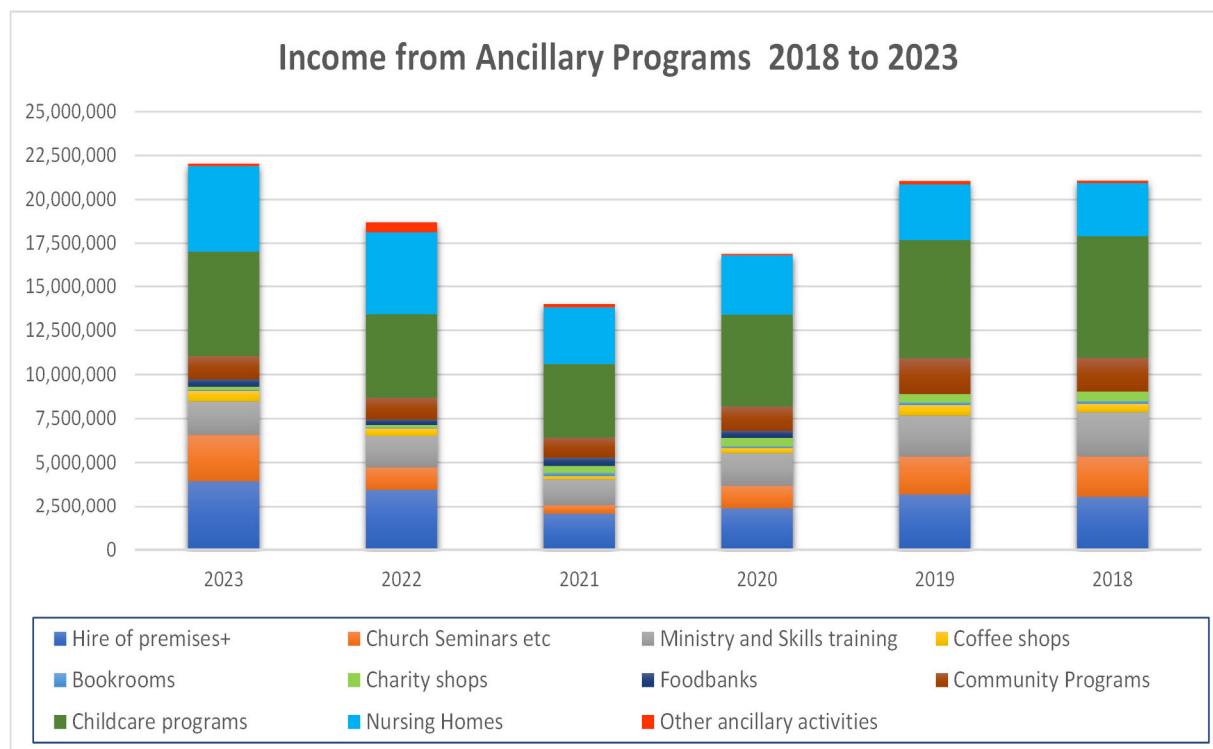


Total income from ancillary programs increased by 18% to £22m this year compared to £19m in 2022. Previous year the ancillary programs were not fully operational for the entire year due to Covid restrictions. 2023 is the first full year since Covid without any restrictions and we see the ancillary income have reached pre-Covid levels and beyond.

2. Income from ancillary programs

	Total 2023 £	Total 2022 £
Hire of premises+	3,947,080	3,459,554
Church Seminars etc	2,636,351	1,282,541
Ministry and Skills training	1,886,183	1,767,589
Coffee shops	601,045	425,649
Bookrooms	56,561	42,157
Charity shops	183,254	146,334
Foodbanks	413,064	321,547
Community Programs	1,317,803	1,246,392
Childcare programs	5,971,397	4,728,379
Nursing Homes	4,890,581	4,715,452
Other ancillary activities	125,476	562,961
Total	22,028,795	18,698,555

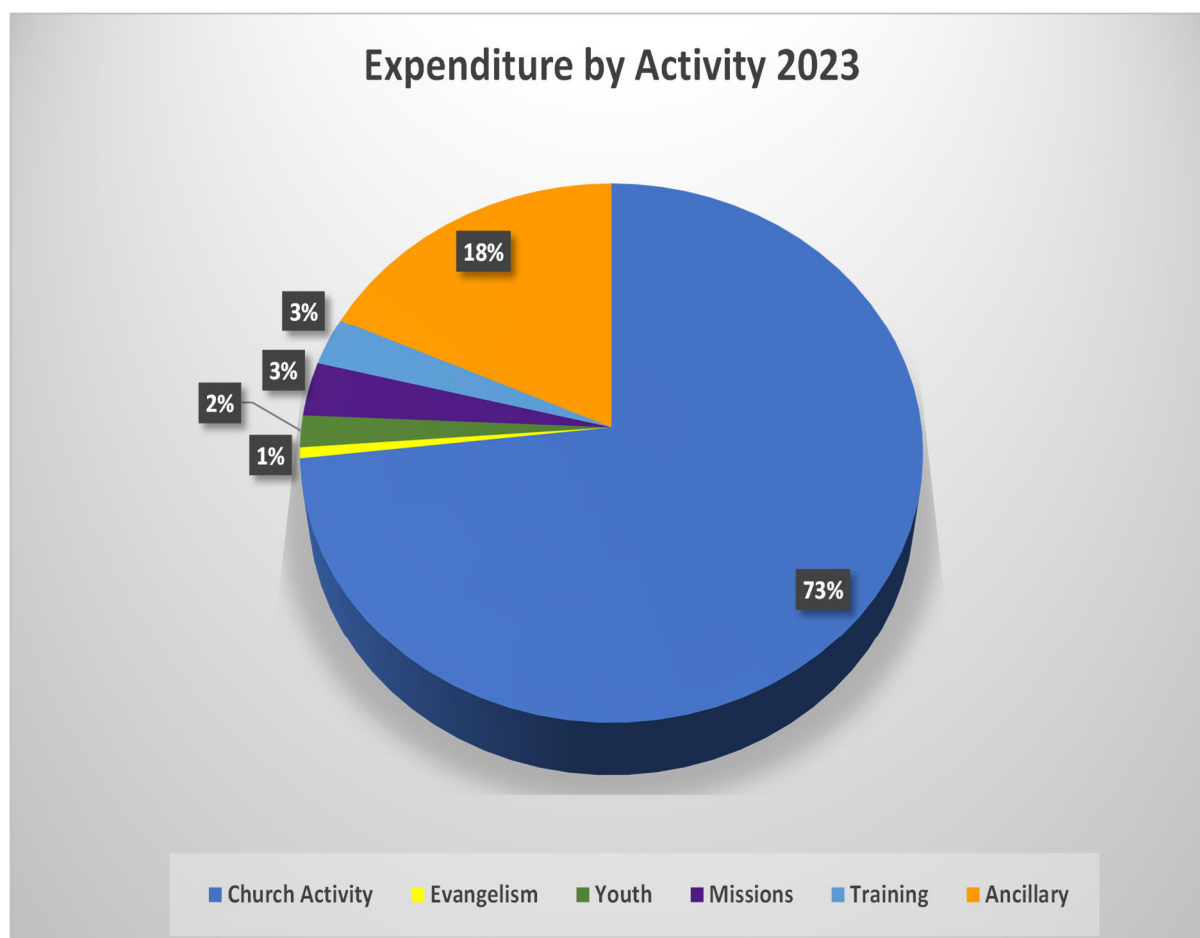
The table below shows the ancillary income from 2018 to 2023. In 2018 and 2019 the ancillary income was over £21m, during Lockdown in 2020 it reduced to £17m and further down to £14m in 2021. In 2023 the ancillary income has increased to £22m.



Overall expenditure increased by £3.5m (5%) compared to 2022 expenditure of £69.1m.

Expenditure increased in the year as church activities and community projects were getting back to normal after the removal of restrictions for Covid. UK events and ministry programs increased by 2m (31%) as all church activities have resumed. We also see 26% increase in ancillary costs (£0.8m) due to increase activity and 21% increase utilities costs (£0.5m) due to price increases.

Expenditure	Total	Total
Charitable Activities	2023	2022
	£	£
Personnel costs	35,655,287	34,135,677
UK Events and ministry programs	8,347,199	6,374,901
UK ancillary and community programs	4,063,603	3,234,020
Literature and material	236,574	199,073
Premises costs	9,144,105	9,844,199
Utilities costs	2,818,390	2,321,629
Equipment costs	2,641,202	2,448,914
Office and administration costs	1,508,823	1,324,072
Grants Made	3,953,873	4,212,240
Governance costs	1,325,772	1,219,312
Interest Costs	2,365,029	2,660,977
	72,059,857	67,975,014



Staff

At the end of the year Elim had 1440 (2022: 1,464) people on the payroll. We also confirm our deep gratitude to the thousands of individuals throughout the movement who volunteer and help deliver a wide range of service. Please see note 8 in the financial statements.

Staff roles	Number 2023	Number 2022
Church and ministry staff	585	586
Youth Ministry	96	93
Administration	294	288
Care - Nursing and childcare	157	205
Community Programs	152	151
Property Services	156	141
	1,440	1,464

CONSOLIDATED BALANCE SHEET - see chart at the end of this section

The following balance sheet confirms the ongoing solidity of the Alliance but also the fact that we still have considerable liabilities on property loans and the pension fund which we must continue to address.

The overall Reserves of the Alliance have again improved, reflecting an incredible consistency of growth even through periods of general economic difficulties. The main strength of the Alliance resides in its Fixed Assets carrying value of £197.4m (2022: (£195.3m). The carrying value has increased by just over £2m in the year, largely due to revaluation of investment properties in the year.

The FRS valuation for Pension Fund liabilities has decreased to £7.3m an improvement of £3.1m from the 2022 level of £10.4m. The 2022 value is restated in the accounts because the actuaries made a mistake on the valuation. As we regularly comment, this value is calculated on parameters dictated by government statute. Our triennial actuarial valuation as at 31 December 2021 was a shortfall of £27.2m. However, the revised funding position, as at 17 March 2023 was a shortfall of £11.4m which has been used as the appropriate deficit for the Recovery Plan calculations.

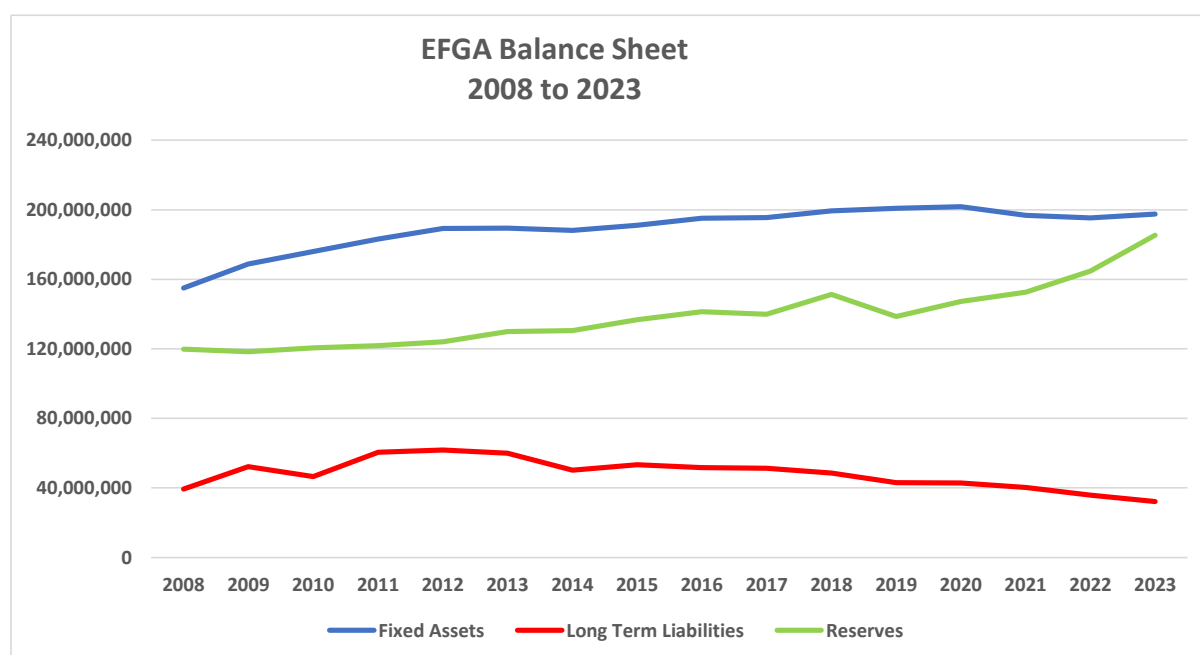
Long Term Loans received from banks has decreased to £34.1m compared to £42.3m in 2022. Loan value reduced due to regular repayment from churches and £5.0m loan settled with Lloyds bank in the year.

Conclusion

This is the first full financial year since Covid without any restrictions. Churches were faced with new challenges relating to cost of living, increase in utilities and the consequences of war in Ukraine and middle east. Thank God for all who served in churches in various roles to help with the work of God. We are blessed with ministers, staff and volunteers who love God and who love to serve Him.

Our God is faithful, and He is, was and will be our Jehovah-Jireh! The world keeps changing and churches are faced with new challenges, but God remains the same and helping and guiding His children through all these challenges.

Thine, O LORD is the greatness, and the power, and the glory, and the victory, and the majesty: for all that is in the heaven and in the earth is thine; thine is the kingdom, O LORD, and thou art exalted as head above all (1 Chronicles 29:11).



Trustees' responsibilities for the financial statements

Trustees' Responsibilities Statement

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

The Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005, and the regulations made thereunder, requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, which give a true and fair view of the state of affairs of the charity and the group and of the incoming resources and application of the resources, including the income and expenditure, of the charity and group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles set out in the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group continue in operation.

The trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's and group's transactions and disclose with reasonable accuracy at any time the financial position of the charity and the group and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the Trust Deed. The trustees are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

Moore Kingston Smith LLP, having indicated willingness to continue as auditors, will be retained serve as such for the new financial year.

Signed by order of the National Leadership Team



Chris Cartwright

7 May 2024

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ELIM FOURSQUARE GOSPEL ALLIANCE

Opinion

We have audited the financial statements of Elim Foursquare Gospel Alliance for the year ended 30 September 2023 which comprise the Consolidated Statement of Financial Activities, the Parent Charity only Statement of Financial Activities, the Consolidated Balance Sheet, the Parent Charity Balance Sheets, the Consolidated Cash Flow Statement, the Accounting Policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 30 September 2023 and of the group's and parent charity's 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 prepared in accordance with the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 (as amended) and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, 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 financial statements 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 or the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we required for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out above, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under section 144 of the Charities Act 2011 and report in accordance with regulations made under those Acts.

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 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 (as amended), regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended), the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charity complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of

management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011 and Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charity's trustees 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 any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP

Moore Kingston Smith LLP
Statutory auditor

Date: 7 May 2024
Devonshire House
9 Appold Street
London
EC2A 2AP

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

ACCOUNTING POLICIES

BASIS OF PREPARATION

These financial statements have been prepared in accordance with the Constitution of the Alliance, applicable accounting standards, and recommendations in the Charities Act 2011 and the Statement of Recommended Practice: Accounting by Charities FRS102 (the SORP), the Financial Reporting Standard applicable in the UK and Republic of Ireland except as noted below.

They have been prepared under the historical cost convention as modified by the revaluation of investments to fair value, and on a going concern basis.

Elim Foursquare Gospel Alliance constitutes a public benefit entity as defined by FRS102.

BASIS OF CONSOLIDATION

The group financial statements consolidate those of the charity and its subsidiary undertakings drawn up to 30 September 2023. All intra-Alliance transactions and profits are eliminated on consolidation, unless indicative of an underlying impairment.

The results of the charity's charitable trading income have been incorporated on the basis of the summary income and summary expenditure.

GOING CONCERN

The financial statements are prepared on a going concern basis, which assumes that the charity will continue as going concern for the foreseeable future. Ancillary programs are back in full operation and the income from these programs have reached pre Covid levels. Based on this, together with the cash reserves held, the Trustees have concluded there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

BRANCHES

The financial statements of the charity incorporate those of all funds and branches which are governed by the terms of the Constitution of the Alliance.

INCOMING RESOURCES

Donations and gifts

All monetary donations and gifts are included in full in the statement of financial activities when receivable and there are no donor-imposed restrictions as to the timing of the related expenditure.

Legacies are included when probable and the value can be measured with sufficient reliability.

Gifts-in-kind are accounted for at the trustees' estimate of value to the charity or sale value as follows:

- assets received for distribution by the Alliance are recognised only when distributed
- assets received for resale are recognised, where practicable, when receivable or otherwise when sold
- gifts of fixed assets for charity use, or funds for acquiring fixed assets for charity use are accounted for (as restricted funds), immediately on receipt.

Voluntary help is not included as income.

Cash collected to which the charity is legally entitled but which has not been received at the year-end is included as income.

Donations under Gift Aid are credited as income when the donations are received together with the associated income tax recoveries.

All income on trading activities is the total amount receivable by the Alliance in the ordinary course of business for goods supplied and for services provided, excluding VAT. All income is recognised when the services are performed.

Contributions re Capital projects

Donations and gifts to major building renovation and refurbishment programs are included on receipt and treated as restricted funds until applied for their specific purpose.

Grants receivable

Revenue grants, including those from government and local authorities, are credited as incoming resources when they are receivable provided conditions for receipts have been complied with, unless they relate to a specified future period, in which case they are deferred.

Grants for the purchase of fixed assets are credited to restricted incoming resources when receivable. Depreciation on the fixed assets purchased with such grants is charged against the restricted fund.

Insurance Claim income

Income from successful claims, including Covid-19 Loss of Income claims, are recognised on receipt of written agreement from the insurers

Investment income

Investment income is recognised when receivable.

RESOURCES EXPENDED

Expenditure which is charged on an accruals basis is allocated between:

- expenditure incurred directly to the fulfilment of the charity's objectives (direct charitable), including support costs
- expenditure incurred directly in the effort to raise voluntary contributions (fundraising and publicity)
- the purchase of properties overseas from funds provided by the International Missions Board is included in the statements under restricted funds expenditure and not treated as tangible fixed assets, except where held on behalf of the Board by the Elim Trust Corporation.
- Direct costs attributable to a single activity are allocated directly to that activity. Support costs and governance costs are allocated by management based on the most appropriate categorisation and split between categories where appropriate. See note 6a.
- grants payable as approved by management, charged against the relevant fund

FUND ACCOUNTING

Restricted funds are applied for specified purposes laid down by the donor. The restriction on these funds is fulfilled on application to their specific purpose, and the expenditure for those purposes is charged to the fund. For Elim Relief Association 10% of income is allocated to the International Missions Fund in respect of overheads and support costs.

Unrestricted funds are donations and other incoming resources received or generated for expenditure on the general objectives of the charity.

Designated funds are unrestricted funds which have been designated for specific purposes by the Trustees.

TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost or valuation, net of depreciation. No depreciation is charged during the year of acquisition, or period of construction.

Website development costs are written off as incurred to the Statement of Financial Activities and not capitalised due to there being insufficient evidence on which to base reasonable estimates of the economic benefits that will be generated in the period or into the future.

Depreciation is calculated to write down the cost or valuation, less estimated residual value, of all tangible fixed assets held for charity use other than freehold land, by equal annual instalments over their expected useful lives.

The periods generally applicable are:

Freehold properties	0.35% - 0.79% reducing balance from June 1999 on valuation, or on cost incurred from that date
Leasehold properties	Period of lease
Fixtures, fittings and equipment	10 years

In accordance with FRS 102 assets in the course of construction are not depreciated. Depreciation will occur when assets in the course of construction are ready for use, being when the physical construction is complete.

INVESTMENT PROPERTY

Investments comprise those properties that are held solely for either their rental income and /or capital appreciation. They are carried at fair value. Any movement in fair value is recognised in the Statement of Financial Activities.

STOCKS

Stocks are stated at the lower of cost and net realisable value.

FOREIGN CURRENCIES

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Exchange differences are dealt with in the statement of financial activities.

BORROWINGS

Bank borrowings are stated net of issue costs. All attributable issue costs are amortised over the term of the loan. Bank borrowings are secured by charges on certain properties of the Alliance as disclosed in note 15. The borrowings are included within long term loans except for the element that is due within 12 months which is separately disclosed on the face of the Balance Sheet.

CONTRIBUTIONS TO PENSION FUNDS

Defined Benefit Scheme

Defined benefit schemes are funded, with the assets of the scheme held separately from those of the charity, in separate trustee administered funds. Under FRS102 valuation Pension scheme assets are measured at fair values and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. This is a prescriptive valuation process determined by the Pensions Regulator purely for Employer Balance Sheet purposes. The FRS102 valuation for 2023 is a liability of £7.3m (restated 2022: liability of £10.4m). The main actuarial valuations for Trustee management are obtained at least triennially. These results however are not reported via the Balance Sheet for the Alliance. The latest triennial report for 3 years ended 31 December 2021 indicates a resulting pension shortfall of £11.4m, with a recovery plan targeted at 2035.

FINANCIAL INSTRUMENTS

The Charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and loans from banks and other third parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

JUDGEMENTS AND ESTIMATES

The key judgements and estimates made by the charity management relate to the following:

1. Depreciation on property assets
2. Assumptions for the Defined Benefit Pension scheme
3. The recoverability of Debtors
4. Revaluation on Investment assets

ELIM FOURSQUARE GOSPEL ALLIANCE
FINANCIAL STATEMENTS YEAR ENDED 30 September 2023

Consolidated Statement of Financial Activities
incorporating Income and Expenditure Account

	note	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
INCOMING RESOURCES					
Activities for generating income					
Voluntary Income	1	53,311,567	2,196,026	55,507,593	50,050,609
Income generated by ancillary programs	2	22,028,795		22,028,795	18,698,555
Income from charitable activities	3	146,018		146,018	156,771
Investment income	4	1,172,724		1,172,724	843,521
Other Income resources	5	0		0	
Total incoming resources		76,659,104	2,196,026	78,855,130	69,749,456
RESOURCES EXPENDED					
Costs of raising funds	6	566,623		566,623	564,938
Charitable Activities	6a	69,733,153	2,326,704	72,059,857	67,975,014
(Gain)/loss on sale of assets	5	(6,798)		(6,798)	552,977
		70,292,978	2,326,704	72,619,682	69,092,929
Surplus of income over Expenditure		6,366,126	(130,678)	6,235,448	656,527
Gains/losses on investments	9a	2,317,189		2,317,189	
Net incoming resources for the year		8,683,315	(130,678)	8,552,637	656,527
Actuarial Gain on Defined Benefit Scheme*	22	3,571,000		3,571,000	20,201,000
Net movement in funds		12,254,315	(130,678)	12,123,637	20,857,527
Fund balances at 1 October 2023		172,314,125	1,032,040	173,346,165	152,488,638
Fund balances at 30 September 2023		184,568,440	901,362	185,469,802	173,346,165

All of the activities of the charity are classed as continuing

*2022 Actuarial Gain balance restated

ELIM FOURSQUARE GOSPEL ALLIANCE
FINANCIAL STATEMENTS YEAR ENDED 30 September 2023

Statement of Financial Activities - CHARITY ONLY
incorporating Income and Expenditure Account

	note	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
INCOMING RESOURCES					
Activities for generating income					
Voluntary Income	1	53,311,567	2,196,026	55,507,593	50,050,609
Income generated by ancillary programs	2	21,702,768		21,702,768	18,380,990
Income from charitable activities	3	146,018		146,018	156,771
Investment income	4	1,172,724		1,172,724	843,521
Other Income resources	5	0		0	
Total incoming resources		76,333,077	2,196,026	78,529,103	69,431,891
RESOURCES EXPENDED					
Costs of raising funds	6	566,623		566,623	564,938
Charitable Activities	6a	69,401,054	2,326,704	71,727,758	67,716,449
(Gain)/loss on sale of assets	5	(6,798)		(6,798)	552,977
		69,960,879	2,326,704	72,287,583	68,834,364
Surplus of income over Expenditure		6,372,198	(130,678)	6,241,520	597,527
Gains/losses on investments	9a	2,317,189		2,317,189	0
Net incoming resources for the year		8,689,387	(130,678)	8,558,709	597,527
Actuarial Gain on Defined Benefit Scheme*	22	3,571,000	0	3,571,000	20,201,000
Net movement in funds		12,260,387	(130,678)	12,129,709	20,798,527
Fund balances at 1 October 2023		172,254,764	1,032,040	173,286,804	152,488,277
Fund balances at 30 September 2023		184,515,151	901,362	185,416,513	173,286,804

All of the activities of the charity are classed as continuing

*2022 Actuarial Gain balance restated

ELIM FOURSQUARE GOSPEL ALLIANCE
FINANCIAL STATEMENTS YEAR ENDED 30 September 2023

CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2023

	Note	Unrestricted Funds 2023	Restricted Funds 2023	Total Funds 2023	Total Funds 2022 - as restated
		£	£	£	£
Fixed Assets					
Tangible fixed assets	9	187,478,533		187,478,533	187,303,601
Investments	9a	9,675,189		9,675,189	7,358,000
Long term loans advanced	12	263,625		263,625	626,560
		197,417,347		197,417,347	195,288,161
Current Assets					
Stocks	10	18,973		18,973	26,900
Debtors	11	4,794,392		4,794,392	2,908,738
Cash at bank and in hand	13	26,669,578	901,362	27,570,940	30,219,612
		31,482,943	901,362	32,384,305	33,155,250
Current Liabilities					
Creditors	14	2,157,576		2,157,576	1,621,568
Current portion on long term loans	15	2,593,379		2,593,379	7,265,910
		4,750,955		4,750,955	8,887,478
Net current assets		26,731,988	901,362	27,633,350	24,267,772
Total assets less current liabilities		224,149,335	901,362	225,050,697	219,555,933
Long term loans received and other liabilities	15	32,258,895		32,258,895	35,785,768
Pension obligations*	22	7,322,000		7,322,000	10,424,000
		184,568,440	901,362	185,469,802	173,346,165
Reserves					
General reserves		39,388,992		39,388,992	40,928,202
Pension reserve					
General property reserves	17	145,179,448		145,179,448	131,385,923
Restricted funds	16		901,362	901,362	1,032,040
		184,568,440	901,362	185,469,802	173,346,165

* 2022 Pension obligation restated

These financial statements were approved by the National Leadership Team on and signed on its behalf by Chris Cartwright on 7 May 2024



The accounting policies on pages 23 to 26 and the notes on pages 32 to 45 form part of these financial statements.

ELIM FOURSQUARE GOSPEL ALLIANCE
FINANCIAL STATEMENTS YEAR ENDED 30 September 2023

CHARITY BALANCE SHEET AS AT 30 SEPTEMBER 2023

	Note	Unrestricted Funds 2023	Restricted Funds 2023	Total Funds 2023	Total Funds 2022 - as restated
		£	£	£	£
Fixed Assets					
Tangible fixed assets	9	187,478,533		187,478,532.5	187,303,601
Investments	9a	9,675,189		9,675,188.9	7,358,000
Long term loans advanced	12	263,625		263,624.6	626,560
		<u>197,417,346</u>		<u>197,417,346.00</u>	<u>196,688,537</u>
Current Assets					
Stocks	10	9,232		9,232	10,338
Debtors	11	4,753,958		4,753,958	2,891,920
Cash at bank and in hand	13	26,578,959	901,362	27,480,321	30,149,459
				0	0
		<u>31,342,150</u>	<u>901,362</u>	<u>32,243,512</u>	<u>33,051,717</u>
Current Liabilities					
Creditors	14	2,070,071		2,070,071	1,577,396
Current portion on long term loans	15	2,593,379		2,593,379	7,265,910
		<u>4,663,450</u>		<u>4,663,450</u>	<u>8,843,306</u>
Net current assets		<u>26,678,700</u>	<u>901,362</u>	<u>27,580,062</u>	<u>24,208,411</u>
Total assets less current liabilities		<u>224,096,046</u>	<u>901,362</u>	<u>224,997,408</u>	<u>219,496,572</u>
Long term loans received and other liabilities	15	32,258,895		32,258,895	35,785,768
Pension obligations*	22	7,322,000		7,322,000	10,424,000
		<u>184,515,151</u>	<u>901,362</u>	<u>185,416,513</u>	<u>173,286,804</u>
Reserves					
General reserves		39,335,704		39,335,704	40,868,841
less Pension reserve					
General property reserves	17	145,179,447		145,179,447	131,385,923
Restricted funds	16		901,362	901,362	1,032,040
		<u>184,515,151</u>	<u>901,362</u>	<u>185,416,513</u>	<u>173,286,804</u>

* 2022 Pension obligation restated

These financial statements were approved by the National Leadership Team on
and signed on its behalf by Chris Cartwright on 7 May 2024



The accounting policies on pages 23 to 26 and the notes on pages 32 to 45 form part of these financial statements.

ELIM FOURSQUARE GOSPEL ALLIANCE
FINANCIAL STATEMENTS YEAR ENDED 30 September 2023

CONSOLIDATED CASH FLOW STATEMENT

	2023	2022
Net cash inflow from operating activities	6,235,448	656,527
Adjustments for:		
Depreciation	1,730,015	1,712,141
Interest received	(783,115)	(459,829)
Interest paid	2,365,029	2,660,977
Movement in stock	7,927	2,138
Movement in debtors	(1,885,654)	1,020,555
Movement in creditors	536,008	(48,169)
Non cash movement re Defined Benefit Pension Scheme	469,000	615,000
(Profit) / loss on disposal of fixed assets	(6,798)	552,977
Net cash from operating activities	<u>8,667,860</u>	<u>6,712,317</u>
Cash Flows from investing activities:		
Purchase of Property, plant and equipment	(1,971,947)	(989,918)
Sale of Property, plant and equipment	73,798	379,224
Interest received	783,115	459,829
Repayment of loans advanced (Loans Advanced)	362,935	(254,048)
	<u>(752,099)</u>	<u>(404,913)</u>
Cash flows from financing activities		
Movement in loans	(8,199,404)	530,821
Interest paid	(2,365,029)	(2,660,977)
	<u>(10,564,433)</u>	<u>(2,130,156)</u>
Change in cash and cash equivalents in the reporting period	(2,648,672)	4,177,248
Cash and cash equivalents at the beginning of the reporting period	30,219,612	26,042,364
Cash and cash equivalents at the end of the reporting period	<u>27,570,940</u>	<u>30,219,612</u>

Analysis of changes in net debt

	1 October 2022	Cash flows	30 September 2023
Cash and cash equivalents			
Cash at bank and in hand	30,219,612	(2,648,672)	27,570,940
	30,219,612	(2,648,672)	27,570,940
Borrowings			
Debt due within one year	7,265,910	(4,672,531)	2,593,379
Debt due after one year	35,785,768	(3,526,873)	32,258,895
	43,051,678	(8,199,404)	34,852,274
Total	(12,832,066)	5,550,732	(7,281,334)

ELIM FOURSQUARE GOSPEL ALLIANCE
FINANCIAL STATEMENTS YEAR ENDED 30 September 2023

NOTES TO THE FINANCIAL STATEMENTS

1. Activities for generating income

	Total 2023	Total 2022
	£	£
1. Voluntary Income		
General Gifts and Offerings	19,830,176	18,891,718
Gift Aid donations and tax rebate	25,196,736	23,412,773
Designated gifts and offerings	2,918,149	1,517,629
Legacies	775,833	630,708
Grants received	1a 3,315,126	3,588,964
Other donations	3,471,573	2,008,817
	55,507,593	50,050,609

Included with Voluntary income is £2,196,026 which relates to restricted funds (2022: £2,751,625).

1a. Grants received

Grants received from external sources during the year to 30 September 2023 and for the year to 30 September 2022, are included under voluntary income. We welcome and appreciate the support from the various grant makers and while the individual amounts are of considerable import to the relevant individual activity, the number involved renders it impracticable to list donors in detail. Branch reports contain more detail.

	Total 2023	Total 2022
2. Income from ancillary programs		
Hire of premises+	3,947,080	3,459,554
Church Seminars etc	2,636,351	1,282,541
Ministry and Skills training	1,886,183	1,767,589
Coffee shops	601,045	425,649
Bookrooms	56,561	42,157
Charity shops	183,254	146,334
Foodbanks	413,064	321,547
Community Programs	1,317,803	1,246,392
Childcare programs	5,971,397	4,728,379
Nursing Homes	4,890,581	4,715,452
Other ancillary activities	125,476	562,961
	22,028,795	18,698,555

A proportion of the income for childcare and community programs is derived from Local Authority support for payment of fees on behalf of beneficiaries. Included within the above is £326,027 which relates to the group's subsidiary company (2022: £317,565).

Ministry and Skills training includes fees received for Regents College of £823,079 (2022: £896,000) of which £496,543 (2022: 567,000) was from Student Loans Company. Fees income for taught awards £750,728 (2022: £842,000), research awards £2,075 (2022: £0) and non-qualifying courses £70,276 (2022: £54,000).

ELIM FOURSQUARE GOSPEL ALLIANCE
 FINANCIAL STATEMENTS YEAR ENDED 30 September 2023

NOTES TO THE FINANCIAL STATEMENTS

	Total 2023	Total 2022
3. Income from charitable activities		
Sundry Activities	146,018	156,771
	<u>146,018</u>	<u>156,771</u>
4. Investment income		
Income generated from investment assets	389,609	383,692
Interest Received	783,115	459,829
	<u>1,172,724</u>	<u>843,521</u>
5. Other Incoming resources		
Profit (Loss) on sale of assets	6,798	(552,977)
	<u>6,798</u>	<u>(552,977)</u>
Total incoming resources	<u>78,861,928</u>	<u>69,196,479</u>
6 Costs of raising funds		
Promotion and publicity	203,411	219,373
Bank Charges	363,212	345,565
	<u>566,623</u>	<u>564,938</u>

NOTES TO THE FINANCIAL STATEMENTS

		Church Activity 2023	Evangelism 2023	Youth 2023	Missions 2023	Training 2023	Ancillary 2023	Total 2023
6a Summary by Costs								
Personnel costs	8	25,411,030	265,768	1,001,251	263,333	1,066,824	7,647,081	35,655,287
UK Events and ministry programs		4,972,890	412,002	1,329,998	158,887	200,977	1,259,982	8,334,736
UK ancillary and c	6c	1,129,335	692	35,232	0	191,964	2,706,380	4,063,603
Overseas ministry		0	0	0	0	0	0	0
Training and development		0	0	0	0	0	0	0
Literature and material		225,282	453	1,410	2,876	6,553	0	236,574
Premises costs		7,987,828	5,672	530	1,968	391,484	756,623	9,144,105
Utilities costs		2,530,186	0	0	0	1,065	287,139	2,818,390
Equipment costs		2,338,442	2,883	9,501	4,190	179,318	106,868	2,641,202
Office and administration costs		1,343,349	2,619	5,651	2,419	14,150	140,635	1,508,823
Grants Made	6d	1,993,011	51,217	12,547	1,777,941	12,733	106,423	3,953,872
Governance costs	7b	1,029,837	0	693	108,863	133,764	65,079	1,338,236
Interest Costs		2,345,463	56	1,553	6,227	4,541	7,189	2,365,029
		51,306,653	741,362	2,398,366	2,326,704	2,203,373	13,083,399	72,059,857

Support costs amount to £2,530,454 (2022: £2,377,008) and are split out by cost type in Note 7a below.

These cost have allocated to "Church Activity", as this is considered appropriate as this is the main activity of the charity.

Included in the above £332,099 (2022: £258,564) which relates to the group's subsidiary company. Included in the above is £2,751,625 (2022: £2,521,202) which relate to restricted funds.

NOTES TO THE FINANCIAL STATEMENTS

		Church Activity	Evangelism	Youth	Missions	Training	Ancillary	Total
		2022	2022	2022	2022	2022	2022	2022
6a Summary by Costs								
Personnel costs	8	24,904,067	161,720	790,867	266,924	1,066,729	6,945,370	34,135,677
UK Events and ministry programs		2,475,127	224,999	546,990	1,966,401	163,390	997,994	6,374,901
UK ancillary and community programs	6c	1,009,722	694	2,192	1,968	84,423	2,135,021	3,234,020
Overseas ministry		0	0	0	0	0	0	0
Training and development		0	0	0	0	0	0	0
Literature and material		190,657	453	1,410	0	6,553	0	199,073
Premises costs		8,633,560	6,396	360	0	415,242	788,641	9,844,199
Utilities costs		2,073,960	0	0	0	1,390	246,279	2,321,629
Equipment costs		2,112,177	3,716	9,182	4,705	179,145	139,989	2,448,914
Office and administration costs		1,149,964	1,635	3,240	61,920	14,095	93,218	1,324,072
Grants Made	6d	3,862,382	68,784	10,968	103,700	12,333	154,073	4,212,240
Governance costs	7b	841,795	0	420	103,321	134,054	139,722	1,219,312
Interest Costs		2,623,605	56	1,630	12,263	4,538	18,885	2,660,977
		49,877,016	468,453	1,367,259	2,521,202	2,081,892	11,659,192	67,975,014

Support costs amount to £2,530,454 (2022: £2,377,008) and are split out by cost type in Note 7a below.

These cost have allocated to "Church Activity", as this is considered appropriate as this is the main activity of the charity.

Included in the above £332,099 (2022: £258,564) which relates to the group's subsidiary company. Included in the above is £2,751,625 (2022: £2,521,202) which relate to restricted funds.

ELIM FOURSQUARE GOSPEL ALLIANCE
FINANCIAL STATEMENTS YEAR ENDED 30 September 2023

NOTES TO THE FINANCIAL STATEMENTS

		Total 2023	Total 2022
6c Expenditure re Ancillary Programs	6a		
Church Seminars etc		678,214	380,513
Ministry and Skills training		151,951	168,640
Coffee shops		628,275	506,903
Bookrooms		44,627	49,256
Foodbanks		541,529	293,002
Charity shops		245,032	98,640
Childcare programs		6,075,346	4,795,196
Community Programs		1,152,878	1,758,479
Nursing Homes		3,565,547	3,608,563
		<u>13,083,399</u>	<u>11,659,192</u>
		Total 2023	Total 2022
6d. Grants Made	6a		
Individuals		758,255	954,670
Other ministries and institutions		2,651,401	2,663,092
Other charities		544,216	594,478
		<u>3,953,872</u>	<u>4,212,240</u>

Grants to other ministries and charities were mainly made by Churches. While specific details of each grant have not been collated it is known that over 100 churches made such payments. The trustees are satisfied that churches are adequately advised as to the parameters relative to the making of grants and that any misapplication would not have created any material misrepresentation in the financial statements.

		Total 2023	Total 2022
7a. Support costs			
Central and Regional Salaries		1,955,019	1,802,430
Central office premises		146,185	147,326
Central Equipment		169,365	158,284
Central administration costs		259,885	268,968
		<u>2,530,454</u>	<u>2,377,008</u>
7b. Governance Costs			
Principal auditor fee		125,976	107,462
Consultancy fees		-	-
Legal and advisory fees		1,199,796	1,093,256
Trustee and management committees		12,464	18,594
		<u>3,868,690</u>	<u>3,596,320</u>

ELIM FOURSQUARE GOSPEL ALLIANCE
FINANCIAL STATEMENTS YEAR ENDED 30 September 2023

NOTES TO THE FINANCIAL STATEMENTS

8. EMPLOYEES

	Total	Total
	2023	2022

STAFF COSTS DURING THE YEAR WERE AS FOLLOWS:

Wages and salaries - ministry	27,821,339	26,757,203
Wages and salaries - administration	4,313,877	3,795,069
Agency Costs	13,189	18,542
Social security costs	876,105	728,631
Other pension costs	2,551,754	2,759,780
Private health insurance	79,023	76,450
	35,655,287	34,135,675

	Number	Number
Staff roles	2023	2022
Church and ministry staff	585	586
Youth Ministry	96	93
Administration	294	288
Care - Nursing and childcare	157	205
Community Programs	152	151
Property Services	156	141
	1,440	1,464

	Number	Number
	2023	2022
£100,001 -	0	0
£90,001 - £100,000	1	0
£80,001 - £90,000	2	1
£70,001 - £80,000	1	1
£60,001 - £70,000	8	8
£50,001 - £60,000	11	7
£40,001 - £50,000	29	14
£30,001 - £40,000	152	175
£20,001 - £30,000	229	225
£10,001 - £20,000	420	449
£1 - £10,000	587	584
	1,440	1,464

	2023	2022
Trustees and Officers		
Remuneration re offices held	1,087,721	1,094,669
Disbursement of expenses in fulfilment of duties	47,924	31,315

As required by the Constitution of the Alliance all members of the National Leadership Team (the Trustees) are serving ministers of the Alliance. During the year all members received remuneration commensurate with their ministerial or executive role. The total amount including pension contributions was £947,900 (2022 : £773,497). A breakdown of this amount is included within the Trustees Report. Please read these in conjunction with this report.

Included in the disbursement of Expenses above are payments to 13 trustees (2022: 13 trustees).

No other payment was made during the year to persons related to a trustee other than those due under contract of employment. In the period to September 2023 the number employed was 6 (2022: 6) with a total salary of £78,656 (2022: £66,552). A breakdown of this amount is included within the Trustees Report. Please read this in conjunction with this report

ELIM FOURSQUARE GOSPEL ALLIANCE
FINANCIAL STATEMENTS YEAR ENDED 30 September 2023

NOTES TO THE FINANCIAL STATEMENTS

9. Tangible Fixed Assets

Group	Freehold property & leasehold improvements	Assets in the course of Construction	Fixtures, fittings & equipment	Total 2023
Cost as at 30 September 2022	208,486,415		5,787,265	214,273,680
Additions	1,517,752		454,195	1,971,947
Transfer to Investments				0
Disposals	(67,000)		(127,465)	(194,465)
Cost as at 30 SEPTEMBER 2023	209,937,167		6,113,995	216,051,162
Accumulated depreciation as at 30 September 2022	22,254,679		4,715,400	26,970,079
Charge in the year	1,504,882		225,133	1,730,015
Depreciation on disposals			(127,465)	(127,465)
Accumulated depreciation as at 30 September 2023	23,759,561		4,813,068	28,572,629
Net book value at 30 SEPTEMBER 2023	186,177,606		1,300,927	187,478,533
Net book value at 30 September 2022	186,231,736		1,071,865	187,303,601

9. Tangible Fixed Assets

Charity	Freehold property & leasehold improvements	Assets in the course of Construction	Fixtures, fittings & equipment	Total 2023
Cost as at 30 September 2022	208,486,415		5,774,503	214,260,918
Additions	1,517,752		454,195	1,971,947
Transfer to Investments				
Disposals	(67,000)		(114,703)	(181,703)
Cost as at 30 SEPTEMBER 2023	209,937,167		6,113,995	216,051,162
Accumulated depreciation as at 30 September 2022	22,254,679		4,702,638	26,957,317
Charge in the year	1,504,882		225,133	1,730,015
Depreciation on disposals			(114,703)	(114,703)
Accumulated depreciation as at 30 September 2023	23,759,561		4,813,068	28,572,629
Net book value at 30 SEPTEMBER 2023	186,177,606		1,300,927	187,478,533
Net book value at 30 September 2022	186,231,736		1,071,865	187,303,601

On 31 October 1998, the freehold property in England, Scotland, Wales and the Channel Islands was revalued by Messrs GVA Grimley (RICS). The basis of the valuation used was depreciated replacement cost for the specialised properties, existing use value assuming vacant possession for non-specialised properties and open market value assuming vacant possession for properties, which are surplus to requirements. This valuation was included in the 1998 financial statements and the surplus arising transferred to the general reserve. Subsequently the 1998 valuation has been treated as the deemed cost for the relevant properties.

ELIM FOURSQUARE GOSPEL ALLIANCE
FINANCIAL STATEMENTS YEAR ENDED 30 September 2023

NOTES TO THE FINANCIAL STATEMENTS

9a Investments

	Investment property
Value at 30 September 2022	7,358,000
Revaluation in year	<u>2,317,189</u>
Value as at 30 SEPTEMBER 2023	<u><u>9,675,189</u></u>

5 properties were identified as being held solely for income generation and capital appreciation so were transferred from Tangible Fixed Assets in previous years. The valuation is reviewed annually to establish fair value at the balance sheet date.

10. STOCKS	Total 2023	Total 2022
Group		
Goods for resale	6,932	7,885
Office stock	12,041	19,015
	<u>18,973</u>	<u>26,900</u>

Goods for resale are held by local church bookrooms and EPC Services Shop

Charity		
Goods for resale	6,932	7,883
Office stock	2,300	2,455
	<u>9,232</u>	<u>10,338</u>

Goods for resale are held by local church bookrooms

11. DEBTORS	Total 2023	Total 2022
Group		
Trade Debtors	887,952	485,653
Prepayments		
Other debtors	3,906,440	2,423,085
	<u>4,794,392</u>	<u>2,908,738</u>
Charity		
Trade Debtors	887,952	485,653
Intercompany	0	8,571
Other debtors	3,866,006	2,397,696
	<u>4,753,958</u>	<u>2,891,920</u>

ELIM FOURSQUARE GOSPEL ALLIANCE
FINANCIAL STATEMENTS YEAR ENDED 30 September 2023

NOTES TO THE FINANCIAL STATEMENTS

12. LONG TERM LOANS ADVANCED

		Total 2023	Total 2022
Group and Charity			
Advances to individuals	a	263,625	612,586
Sundry advances less provisions		0	13,974
		263,625	626,560

a. Includes advances to 2 officers of the Alliance secured against assets and repayable by date of sale £24,002 (2022: £31,738) No individual loan exceeds £30,000. No new loans were given in the year to any officers of the Alliance.

13. CASH AT BANK AND IN HAND	Unrestricted Funds 2023	Restricted Funds 2023	Total Funds 2023	Total Funds 2022
Net balance held in local church accounts	18,213,176		18,213,176	19,394,468
Central Funds	8,456,402	901,362	9,357,764.0	10,825,144
	26,669,578	901,362	27,570,940	30,219,612

Central funds balance includes £90,619 (2022: £70,153) which relates to groups subsidiary company.

14. CREDITORS

Group	Total 2023	Total 2022
Trade creditors	1,612,001	1,326,484
Social security and other taxes	87,864	44,844
Other creditors	457,711	250,240
Accruals and deferred income	0	0
	2,157,576	1,621,568

Charity	Total 2023	Total 2022
Trade creditors	1,604,601	1,326,364
Social security and other taxes	75,720	45,630
Other creditors	389,750	205,402
Intercompany		
Accruals and deferred income	0	0
	2,070,071	1,577,396

ELIM FOURSQUARE GOSPEL ALLIANCE
FINANCIAL STATEMENTS YEAR ENDED 30 September 2023

NOTES TO THE FINANCIAL STATEMENTS

	Total 2023	Total 2022
15. LONG TERM LOANS RECEIVED		
Unsecured liabilities:-		
Amounts due to other trusts	156,846	159,325
Amounts due to individuals	604,960	618,590
Amounts repayable within one year	<u>(464,960)</u>	<u>(478,590)</u>
	296,846	299,325
Secured liabilities:-		
Bank loans (b)	34,090,468	42,273,763
Bank loan portion payable within one year	(2,128,419)	(6,787,320)
Individual loan portion payable within one year		
Total Long Term Loans	<u><u>32,258,895</u></u>	<u><u>35,785,768</u></u>
Bank loan projected repayments		
Within one year	2,128,419	6,787,320
After one and within two years	1,979,260	1,787,320
After two and within five years	4,049,070	4,281,147
After five years	25,933,719	29,417,976
	<u><u>34,090,468</u></u>	<u><u>42,273,763</u></u>

Bank loans are secured by charges on certain properties of the Alliance.

£22.25m is provided by Lloyds as a Fixed Rate loan

The balance of the bank facilities is provided at LIBOR related rates by Lloyds and RBS and is being repaid over an agreed 15 year term by 2028.

16. MOVEMENT ON RESTRICTED FUNDS	CHURCH RESTRICTED FUNDS	ELIM RELIEF ASSOC. FUND	2021 TOTAL RESTRICTED FUNDS	2022 TOTAL RESTRICTED FUNDS
Group and charity				
			£	£
At 1 October 2022	865,413	166,627	1,032,040	801,617
Incoming resources	1,965,440	230,586	2,196,026	2,751,625
Expenditure	(2,022,400)	(304,304)	(2,326,704)	(2,521,202)
At 30 SEPTEMBER 2023	<u><u>808,453</u></u>	<u><u>92,909</u></u>	<u><u>901,362</u></u>	<u><u>1,032,040</u></u>

Churches hold various funds as a result of specific donations, which are awaiting the relevant allocation, The major portion of these funds are church building funds.

Elim Relief Association is a fund from which to provide relief overseas through humanitarian and development programs.

ELIM FOURSQUARE GOSPEL ALLIANCE
FINANCIAL STATEMENTS YEAR ENDED 30 September 2023

NOTES TO THE FINANCIAL STATEMENTS

17. MOVEMENT ON DESIGNATED FUNDS

The Group	CAPITAL ASSETS FUND	2023 TOTAL DESIGNATED FUNDS	2022 TOTAL DESIGNATED FUNDS
At 1 October 2022	141,185,923	141,185,923	123,437,169
Incoming resources			
Expenditure			
Transfers	13,793,525	13,793,525	17,748,754
At 30 SEPTEMBER 2023	154,979,448	154,979,448	141,185,923

The charity	CAPITAL ASSETS FUND	2023 TOTAL DESIGNATED FUNDS	2022 TOTAL DESIGNATED FUNDS
At 1 October 2022	141,185,923	141,185,923	123,437,169
Incoming resources	0	0	0
Expenditure	0	0	0
Transfers	13,793,525	13,793,525	17,748,754
At 30 SEPTEMBER 2023	154,979,448	154,979,448	141,185,923

Local Church leaderships have invested monies from unrestricted funds for various specific purposes particularly building projects
Capital Assets funds represents the accumulation of contributions applied to the acquisition of property used in pursuit of our charity objectives.

18. Allocation of Assets by Fund

18.1 Group

	General	Designated	Restricted	Total
Fixed Assets		187,478,533		187,478,533
Investments		9,675,189		9,675,189
Loan Advances	263,625			263,625
Current Assets	31,482,943		901,362	32,384,305
Current Liabilities	(2,157,576)	(2,593,379)		(4,750,955)
Long term Liabilities		(32,258,895)		(32,258,895)
Pension obligation		(7,322,000)		(7,322,000)
	29,588,992	154,979,448	901,362	185,469,802

18.2 Charity

	General	Designated	Restricted	Total
Fixed Assets		187,478,532		187,478,532
Investments		9,675,189		9,675,189
Loan Advances	263,625			263,625
Current Assets	31,342,150		901,362	32,243,512
Current Laibilities	(2,070,071)	(2,593,379)		(4,663,450)
Long term Liabilities		(32,258,895)		(32,258,895)
Pension obligation		(7,322,000)		(7,322,000)
	29,535,703	154,979,447	901,362	185,416,513

ELIM FOURSQUARE GOSPEL ALLIANCE
FINANCIAL STATEMENTS YEAR ENDED 30 September 2023

NOTES TO THE FINANCIAL STATEMENTS

19. CONTINGENT LIABILITIES

There are no contingent liabilities (2022 : £nil)

20. CAPITAL COMMITMENTS

The Alliance has no major capital commitments other than for church building projects contracted at 30 SEPTEMBER 2023.

21. OPERATING LEASES

At the year end the charity had commitments under non-cancellable operating leases expiring as below.

Group	2023 £000s	2022 £000s
	Office Equipment	Office Equipment
Not later than 1 year	104	98
Later than 1 year but not later than 5 years	170	115
	<u>274</u>	<u>213</u>

Charity only	2023 £000s	2022 £000s
	Office Equipment	Office Equipment
Not later than 1 year	104	98
Later than 1 year but not later than 5 years	170	115
	<u>274</u>	<u>213</u>

22. PENSIONS

The charity operates a defined benefit occupational pension scheme, the Elim Ministers' Pension Fund to provide retirement benefits for its current and previous employees.

A full actuarial valuation was carried out as at 31 December 2021 and indicates a pension shortfall of £27.2m.

However, the revised funding position, as at 17 March 2023 shows a shortfall of £11.4m which has been used as the appropriate deficit for the Recovery Plan calculations.

The total employer contributions during the year to 30 September 2022 amounted to £1,822,000 (2020: £2,049,000).

Contributions to the scheme for the year ending 30 September 2024 are expected to be £1.9 million.

The scheme is funded by payment of contributions from the Alliance to a trustee administered fund (members are not required to contribute).

Benefits were built up in the scheme during the year on a 'final salary' basis, whereby the associated pension benefits are calculated with reference to a member's Final Pensionable Salary at the time they leave service or retire.

The 2022 value is restated because the actuaries made a mistake on the valuation of pension scheme assets.

Employee benefit obligations	Value at 2023 £000s	Restated Value at 2022 £000s
	£	£
Present value of benefit obligation	43,850	48,320
Fair value of scheme assets	(36,528)	(37,896)
Net Pension Liability	<u>7,322</u>	<u>10,424</u>

ELIM FOURSQUARE GOSPEL ALLIANCE
FINANCIAL STATEMENTS YEAR ENDED 30 September 2023

NOTES TO THE FINANCIAL STATEMENTS

The amounts recognised in the statement of financial activities are as follows:

	2023	2022
	£000s	£000s
Current service cost	1,755	2,079
Net Interest cost on the net defined benefit liability	536	585
Total	<u>2,291</u>	<u>2,664</u>

Remeasurements of the net defined benefit liability recognised in Other gains and losses

	2023	2022 (Restated)
	£000s	£000s
Actual return on assets excluding interest income	(848)	(3,889)
Actuarial (losses) / gains	4,419	24,090
	<u>3,571</u>	<u>20,201</u>

Changes in present value of benefit obligation

	2023	2022
	£000s	£000s
Opening defined benefit obligation	48,320	71,650
Current service cost	1,755	2,079
Interest cost	2,429	1,390
Actuarial loss / (gain)	(4,419)	(24,090)
Benefits paid	(4,235)	(2,709)
Closing defined benefit obligation	<u>43,850</u>	<u>48,320</u>

Change in fair value of scheme assets

	2023	2022 (Restated)
	£000s	£000s
Opening fair value of scheme assets	37,896	41,639
Interest in scheme assets	(848)	(3,889)
Return on assets excluding interest income	1,893	806
Employer contributions	1,822	2,049
Benefits paid	(4,235)	(2,709)
Closing fair value of scheme assets	<u>36,528</u>	<u>37,896</u>

The assets of the scheme were:

	2023	2022 (Restated)
LDI	4.4%	0.0%
UK Equities	7.1%	14.0%
Overseas equities	38.4%	30.6%
Gilts	4.1%	2.8%
Corporate bonds	1.4%	1.6%
Overseas bonds	3.2%	5.9%
Property	27.7%	26.5%
Cash/ other	13.7%	18.6%
	<u>100%</u>	<u>100%</u>

ELIM FOURSQUARE GOSPEL ALLIANCE
FINANCIAL STATEMENTS YEAR ENDED 30 September 2023

NOTES TO THE FINANCIAL STATEMENTS

Principal Actuarial assumptions	2023	2022
Discount rate	5.38%	5.16%
Inflation assumption (RPI)	3.50%	3.83%
Inflation assumption (CPI)	2.50%	2.83%
Future salary increases		
for first 11 years post September 2023	0.00%	0.00%
thereafter	2.45%	2.56%
Deferred pension revaluation	2.50%	2.83%
Benefits accrued pre 6 April 1997	0.00%	0.00%
Benefits accrued April 1997 to 6 April 2005	2.49%	2.75%
Benefits accrued post 6 April 2005	1.79%	1.92%

Assumed life expectancies on retirement at age 65 are:

Male Mortality	100% of ONS National Life tables 2018-2020
Females Mortality	100% of ONS National Life tables 2018-2020
Mortality improvements	CMI 2022 long term improvement of 1.0% using core parameters
Cash Commutation	80% (2021: 80%) members take maximum amount available
Expenses	Nil

Historical disclosures

	2023	2022 (Restated)	2021
	£	£	£
Defined benefit obligation	(43,850)	(48,320)	(71,649)
Scheme assets	36,528	37,896	41,639
Deficit	(7,322)	(10,424)	(30,010)