

**The Evangelical Alliance**

**Annual Report and Financial Statements**

**31 March 2017**

## The Evangelical Alliance

### Reference & Administrative Details

#### For the year ended 31 March 2017

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Status	The organisation, originally formed in 1846, is a charitable company limited by guarantee, incorporated on 26 July 1912 and registered as a charity on 19 December 1962.
Company Number	123448
Charity Number (England and Wales)	212325
Charity Number (Scotland)	SCO40576
Registered Office and Operational Address	176 Copenhagen Street London N1 0ST
Chair of Board of Trustees	Rev Dr Tani Omideyi
Chair of Council	Rev John Glass
General Director	Mr Stephen Clifford
Company Secretary	Miss Helen Calder (resigned 30 September 2016) Mr Emrys Jones (appointed 30 September 2016)
Honorary Treasurer	Mr Peter Jeffrey
Trustees	Ms Ruth Awogbade (appointed 21 September 2016) Rev Stephen Cave Mrs Tracy Cotterell (vice chair of board) Rev John Coyne Rev John Glass (chair of council) Rev Dr David Hilborn (appointed 21 September 2016) Rev Dr Steve Holmes (resigned 21 September 2016) Mr Peter Jeffrey (honorary treasurer) Rev Dr Tani Omideyi (chair of board) Mrs Rachel Phillips Rev Julian Richards Mrs Arlene Small (retired 21 September 2016) Pastor Steve Uppal (appointed 21 September 2016) Mrs Ruth Walker Miss Rachel Westcott
Bankers	National Westminster Bank plc 290 Walworth Road London SE17 3RQ  CCLA Investment Management Ltd St Alphage House 2 Fore Street London EC2Y 5AQ



## The Evangelical Alliance

### Report of the General Director

#### For the year ended 31 March 2017

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This was a year of celebration for the Evangelical Alliance, as we marked our 170<sup>th</sup> anniversary with a special event at All Souls Langham Place in November 2016. Here, we gathered key friends and influencers from across the evangelical spectrum, to rejoice with us as we looked back to our formation in 1846, explored our current work in advocacy, unity and mission and looked ahead to what our organisation might be in the future.

We believe our mission has and always will remain the same as it was when our predecessors formed the Evangelical Alliance in 1846: uniting the evangelical Church and presenting a united voice in public life. This year, as a leadership team, board and council, we felt the ultimate aim of our organisation is to make Jesus known across the UK.

The prayer of Jesus in John 17 suggests that the unity for which we work is not just unity for unity's sake. "I in them and you in me, so that they may be brought to complete unity," he says. "Then the world will know that you sent me and have loved them even as you have loved me."

Overarching everything we seek to do is a commitment to prayer, both as members of the Alliance and as individuals. Our regular prayer email *REAP* continues to grow and prayer forms a key part of both our Alliance website and the Great Commission website. The feedback has been amazing and the demand for us to create Spirit-led prayers is growing. This year God has wonderfully displayed his goodness to us following two days of prayer and fasting; one before the launch of the Great Commission website and the other for his provision in terms of income.

As evangelical Christians, we believe the best thing for everyone - whoever they are - is that they come to know Jesus. A big part of our renewed commitment to evangelism and mission was the development and launch of our *Great Commission* website in October. The site aims to help Christians share their faith, and to inspire people that Jesus is changing lives in the UK today.

We believe that in order for people to come to know Jesus, Christians must be free to speak about their faith freely. This is why this year saw the launch of our *Speak Up* resource – a brilliant collaboration between our advocacy team and the Lawyers' Christian Fellowship which aims to equip and inspire Christians with confidence and knowledge of the current legal freedoms to share our faith.

This is just one of the many significant pieces of work that have been produced by members of our advocacy team and public policy officers working in the parliaments and assemblies across England, Northern Ireland, Scotland and Wales.

Following a detailed review, a new style of council made up of evangelical church and organisation leaders from across the UK and breadth of the Church was agreed in September 2015. The new membership, which was appointed in September 2016, includes representation from church leaders, member organisations and key influencers who reflect ethnic, gender, and age targets as well as the full national, regional and denominational spectrum of our constituency.

This has been another busy year for the Evangelical Alliance, with notable moments including the launch of our *Both Lives Matter* campaign to reframe the abortion debate in Northern Ireland. Our *Public Leadership* programme has continued to flourish, and this year saw the beginning of our *Scottish Public Leader* programme, as well as a *Young Public Leaders* consultation. Our continued achievements in communications and increased collaboration across ethnic divides through our One People Commission continue to bear fruit.

The following report gives just a flavour of the work that we have been involved in over the past 12 months. I hope you are inspired and encouraged by what has been achieved and all that is to come.

**Steve Clifford**  
**General Director**  
**Evangelical Alliance**

## **The Evangelical Alliance**

### **Report of the Board of Trustees**

#### **For the year ended 31 March 2017**

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The board of trustees presents its annual report and audited financial statements for the year ended 31 March 2017. The financial statements comply with current statutory requirements, with the requirements of the Evangelical Alliance's governing document, the Articles of Association (approved on 24 September 2015) and the Statement of Recommended Practice for Accounting and Reporting by Charities (FRS 102). The Evangelical Alliance is referred to throughout the report and the financial statements as the Alliance.

#### **Aims and objectives**

The Alliance's purposes, as set out in the doctrinal basis and principles contained in the charity's Articles of Association, are to advance the evangelical Christian faith in all parts of the world by such means being charitable as the Alliance may determine.

Our mission is to bring evangelical Christians together, strengthen their voice and inspire them for mission. We aim to do this by:

- Uniting Christians locally, nationally and globally in our shared mission to make Jesus known
- Speaking with confidence to government and the media to present God's truth with grace
- Following Jesus and serving the Church – working together to see our lives and communities changed

#### **How our work delivers our aims**

Activities are reflected in the Statement of Financial Activities and in this report in the following ways:

- Advocacy – providing a Christian voice in government and the media through various initiatives, including working with parliamentarians, campaigning, resourcing and equipping the Church and our members to be active citizens; as well as engaging proactively with the secular media
- Unity and mission – bringing evangelical Christians together for mission by equipping, challenging and inspiring the Church to speak with confidence and boldness about their faith in Jesus. Also fostering a sense of community and taking part in programmes and projects alongside other Christian organisations
- Media and membership – celebrating, informing and resourcing our members through a range of regular two-way communications, including *idea* magazine, e-communications, social media and other regular publications
- Fundraising – working with supporters, members, donors and key supporters committed to our goals to raise financial resources to enable the Alliance to meet its aims and objectives

#### **How our activities deliver public benefit**

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

We believe the Christian faith we profess – and which underpins everything we do – is for the common good of every member of society. We therefore believe the Alliance fulfils the public benefit test required of charities. Some of the work we do is of specific benefit to our individual supporters, church and organisation members. We are, however, an outward-looking organisation. We are committed to the transformation of all people in society, for good. So we work hard to make sure the benefits we work for are not exclusive to our members or to evangelical Christians alone.

As trustees of the Alliance, we firmly believe that following Christ changes lives for the better. But we accept the right of individuals to have, and to express, differing beliefs or no belief. A central part of the Christian faith is the desire to see justice for all – regardless of age, race, gender, class or religion.

During the reporting year, the Alliance continued to work for the good of society through our ongoing programmes, which are outlined in more detail below.

## The Evangelical Alliance

### Report of the Board of Trustees

For the year ended 31 March 2017

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#### Achievements and performance

Performance is reported using the SOFA headings for charitable activities. This report gives a taster of the activities that the Alliance has undertaken over the 12 months to March 2017. Although it gives a flavour of our most significant programmes and campaigns, it does not intend to be a comprehensive report of all the activities the charity undertakes. Additional information can be found on our website at [www.eauk.org](http://www.eauk.org).

*The following section gives a summary of our activities over the past 12 months under the headings of advocacy, unity and mission, media and membership.*

#### Advocacy

One of our main aims as an organisation is to be the voice of evangelical Christians to the government and in public life. We do this through a variety of programmes, campaigns, initiatives and resources across our teams in the UK. Our public policy officers this year continued to work with parliamentarians and politicians in the national assemblies to present Christ's truth with grace. We also see it as one of our aims to encourage our members to play their part in working for the public benefit of those in their own communities through advocacy.

As is the nature of winning political influence, much of the work we do in this area goes on behind the scenes. We are committed to engaging in the political process rather than shouting from the side-lines. We have an increasing part to play in also translating the language of faith to the policy and decision-makers as religious literacy declines.

During this year, there was a strong sense of convergence with our advocacy work and our work on unity for mission. While one of the main aims of our advocacy work over this period has been strategically focused on securing gospel freedoms, our mission work focuses on encouraging gospel engagement through evangelism and discipleship.

This convergence is best expressed in our work producing *Speak Up* this year. Supported by the Lawyers' Christian Fellowship, the resource aims to equip and inspire Christians with confidence and knowledge of the current legal freedoms we have to share our faith. It is a reminder that Christians are protected from religious discrimination by strong domestic, European and international legislation, which has been reaffirmed in the courts time and time again. *Speak Up* consists of an in-depth report, an easily-accessible summary, and web resources through which we hope to enable Christians to speak up confidently. Amid the religious illiteracy, confusion and attempts by some to 'chill' the atmosphere for public expressions of Christianity in the UK, we hope that *Speak Up* will provide a clearer picture of the legal basis for us to talk about Jesus - and will encourage Christians to be more confident in sharing the gospel. So far, we have distributed more than 30,000 copies with demand increasing. Events have been held in Westminster, Edinburgh, Cardiff and Belfast to profile the resource, which also received high-profile press coverage after being commended in PMQs by Theresa May in November 2016. We have spoken about the resource and what the law says about gospel freedoms to churches and festivals across the UK, with the first public outing at the annual lecture at Keswick Convention in the summer.

Amid a number of changes and capacity challenges, our advocacy team has had a very busy and productive year. The addition of new staff has raised the bar significantly in both the public policy and *Public Leadership* work. Much of our public policy work has focused around the government's intention to legislate on counter-extremism. Announced in the 2016 Queen's Speech (as it had been in 2015), the government has yet to bring a bill to parliament. Likewise, we await the government's response, one year on, to the consultation on regulating out-of-school settings, a move which would place Sunday schools at risk of government oversight.

This year, we produced a theological resource paper on hate speech which will serve as a basis for comment and action as the government broadens the definition of hate speech and the recording of hate incidents even when no crime has been committed. This will be joined by further position and perspective papers to make up a public policy library.

In 2016, in partnership with CARE, we initiated a roundtable meeting of public policy organisations which meets quarterly, with a focus on sharing information and building relationships. This has been a very welcome forum for all the groups involved. We have also spoken at numerous events, conferences and churches throughout the year.

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#### For the year ended 31 March 2017

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Our *Public Leadership* programme - aimed at equipping Christians to be leaders in every sphere of society - continued to gather pace this year. We held breakfasts in the Foreign Office and in the City of London looking at themes of failure and influence in leadership. We held a media training weekend in October for 22 public leaders, and prepared a small group course for publication in Summer 2017. We have continued building contacts across a wide range of networks, sectors and locations, and building up a database of public leaders. In late 2016 we held a *Young Public Leaders* consultation to hear what resources and support would be most useful to them.

Ahead of the EU referendum we produced resources to encourage and equip the Church to engage in the debate. This included in-depth essays looking at key themes from a theological and political perspective, as well as contributing to the special issue of our in-house *idea* magazine. We also spoke at churches and events, and in the media, providing a balanced perspective and encouraging Christian engagement with the vote. We also produced election resources, ran hustings and provided comment in Scotland, Wales and Northern Ireland ahead of assembly and parliament elections, and ran the church hustings for the London Mayoral election with all major candidates participating and 500 people attending.

More than 40,000 people received our 24-page *You Are Not Alone* resource around Christian parental rights and responsibilities in education.

In Scotland in autumn 2016, we launched our brand-new *Scottish Public Leader* programme, bringing together a group of emerging Christian leaders in public life from a wide variety of contexts, for a nine-month curriculum of equipping events, mentoring and training from senior, established public leaders across Scotland. The aim is to create a generation of confident disciples of Jesus speaking out for good and for God in all areas of culture within the nation. In this first year, we have 16 participants playing key roles in public life in Scotland. We also have mentors and speakers on the course who are providing high-level input, including Sir Brian Souter, Bishop Tom Wright and Sir Peter Vardy, to name just a few.

The voice and reach of Alliance Northern Ireland continued to grow this year, playing a significant role in representing the Christian voice to the media and government. Our aim is to provide a clear, articulate, credible and grace-filled voice to national and local media. We are in the third year of our intern programme, with three interns graduating in June 16 and four new interns starting in September 2016, which is proving a great way for young evangelical Christians to gain experience in advocacy from a Christian perspective. During the Assembly elections we ran an initiative called *AskNI17*. This involved crowdsourcing questions from younger potential voters and then putting them to politicians from each of the parties during short video interviews. This was really well received by young people, churches, political parties and the local media.

Perhaps most significantly, this year saw the launch of our *Both Lives Matter* campaign – a coalition of organisations and individuals committed to reframing the abortion debate in Northern Ireland and beyond. The movement is pro-women and pro-life and has re-humanised the conversation around abortion as it seeks to advocate for better care in pregnancy crisis, create a life-affirming culture that values each woman and her unborn child, and safeguards the current law which protects both women and unborn children. The campaign has seen significant reach, including media coverage in Northern Ireland but also in the UK as a whole.

The Alliance in Wales continues to play a leading role in representing the evangelical Christian voice in national politics. The presence of the Alliance on the Faith Communities Forum has enabled the building of good relations between faith leaders in Wales, and our public policy officer has also been working to promote aspects of Wales' rich evangelical and non-conformist history to Welsh government and the Assembly.

The Alliance overall received a good amount of press coverage this year, with members of the staff team featuring in local, national and international media, as well as Christian press. This year the Alliance appeared in broadcast media 178 times; and in print 308 times. We revised our media monitoring matrix in order to ensure that we prioritise our messaging and target audiences.

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Rev Dr David Hilborn, principal of St John's, Nottingham, was appointed chair of our Theology Advisory Group (TAG) which comprises a range of public policy and theology experts who advise the advocacy team, leadership and board of the Alliance. This year TAG commissioned *The World on our Doorstep*, a book written to equip and inspire mission and engagement with other faiths. Authored by Dewi Hughes, who was Tearfund's theological advisor for nearly two decades, the book mixes practical examples with pastoral advice for working alongside people becoming Christians from other faith backgrounds.

#### Unity and Mission

In this our 170<sup>th</sup> celebratory year, we renewed our commitment to unity as not just for unity's sake, but for the sake of mission. At our formation in 1846, our founders had the unity of evangelical Christians as their priority. They were inspired by the prayer of Jesus in John 17 that Christians might be one so that the world might believe. The driving force behind our unity is always mission. This is why our level one goals are for the Church to be more united in mission, and in turn more confident and effective in voice. Our unity is demonstrated through our membership base. We currently have more than 4,400 church and organisation members, plus thousands of individual members and supporters.

During the course of this year, we changed our strapline from *better together* to *together making Jesus known* to reflect this renewed commitment to evangelism and mission. During the autumn, we launched our new website [greatcommission.co.uk](http://greatcommission.co.uk) – aimed at equipping Christians to speak into every situation, age, stage and style of life about Jesus through catalysing and creating new resources and tools for evangelism where there are gaps and needs that aren't being met.

We also hope that through the *Great Commission* website, we will inspire churches and communities that God is at work to save lives, by producing a new video story and article every week, and spreading these across media types to change the narrative and show that God is giving new life. In the first five months, the site has been really well received with 146,000 page views, the most popular video having been viewed more than 8,000 times.

There has been great synergy this year between our mission and advocacy work, with the *Great Commission* site also seeking to liberate Christians with the knowledge of their legal freedoms to speak of their faith in work and other contexts, by distributing the *Speak Up* booklet, produced by the Alliance in partnership with the Lawyers' Christian Fellowship.

One of the aims of our mission work is to unite churches in evangelism across ethnic divides and geographical boundaries, through the work of the One People Commission (OPC), which brings together key church leaders from the whole diversity of the Church across the UK and represents a network of key ethnic minority church and denominational leaders. This year, the One People Commission continued its great work in connecting the Alliance to the breadth of evangelical denominations in the UK and also enabling church leaders to break down any barriers there might be between ethnicities. Building on the success of last year's millennials research *Building Tomorrow's Church*, the OPC held an event for those involved in youth ministry which was extremely well received.

During October 2016, through our Gather initiative we were able to take around 90 church leaders and influencers to *Movement Day* in New York. Gather is a national network of vibrant unity for mission movements, which brings together Christian leaders working together for the public benefit of their towns and cities. *Movement Day* was attended by 3,000 such leaders from across the world, brought together and inspired for mission and the holistic transformation of the places in which they live. Our Gather network is playing a key part in organising and running *Movement Day* in London in October 2017.

This was a significant year for our South Asian Forum (SAF) as it worked together with London City Mission and Global Connections to host the *Reaching the world on your doorstep* event, which took place on 23 November 2016. Aimed at encouraging and equipping Christians to reach out to their friends and neighbours of other faiths, the day brought together teaching, training, and encouragement, as well as times of prayer and sharing resources and ideas to help churches and individuals to engage with people around them of different faiths and cultures.

Unity underpins all of the work that we do in the Alliance. Consequently, much of the work undertaken by our teams is achieved through coalitions – working in partnership with a number of other Christian organisations and agencies. The

## The Evangelical Alliance

### Report of the Board of Trustees

#### For the year ended 31 March 2017

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Alliance in Wales works with the Baptist Union of Wales, representatives from Pioneer and Elim denominations and the Evangelical movement of Wales to operate Waleswide, which convened two conferences in south and north Wales with a total attendance of 260 church leaders. The events discussed the findings of a survey of churches in Wales featured in the book *A New Mission in Wales* written by David Ollerton. Working with the Cymru Institute for Contemporary Christianity (CICC) and the Bible Society in Wales and the South Wales Baptist College, the Alliance hosted an event at which Dr Denis Alexander spoke on Faith and Science. The Net Wales has now been launched and serves over a thousand evangelical leaders across the nation for prayer and mission.

It has been a hugely encouraging year for the Alliance in Scotland and we are so thankful to God for His favour. Following the amazing response to the popular *What Kind of Church?* resource and its accompanying films, we ran six leaders' events across the country to consider how we can do more together to support mission and unity. We also had the privilege of hosting four leaders' prayer breakfasts in Glasgow, Edinburgh, Inverness and Aberdeen. The Alliance also brought together 200 supporters, 20 MSPs and a cabinet secretary for our two parliamentary events at Holyrood: The first to celebrate the launch of our *Speak Up* resource in the nation, the second to showcase *Serve* - our initiative to unite the Christian voluntary sector across Scotland.

The Alliance team in Northern Ireland ran a range of events and projects to equip and inspire the local church including the *100 Days* project, *Think Friday* and *Kingdom Talk Ireland*. They also made over 100 media appearances, spoke at more than 50 events and produced a variety of resources for the local church.

At the Alliance, we are committed to unity for mission and the above gives a small taster of our work in this area. We continue to work in an increasing number of coalitions and forums representing more than one thousand churches and organisations in England, Northern Ireland, Scotland and Wales, including HOPE, Christian Enquiry Agency, Church Advertising Network, Cymru Institute for Contemporary Christianity, New Generation Leaders, Irish Council of Churches, Scottish Christian Youth Work Forum and more.

#### Media and membership

We continue to see an increase in the number of unique visitors to our website. We endeavour to provide news articles, features, interviews and resources to inspire, celebrate and challenge the UK Church for mission, unity and advocacy. We have increased our Facebook likes and have posted an increasing number of videos, including for our *Public Leadership* programme, spring appeals and end-of-year 'thank you' to our members and supporters.

Our social media reach is going from strength to strength, with our Twitter following up to more than 21,000 on our main Twitter account, @EAUKnews. This has once again brought us a significant number of impressions: the number of times the tweet has been delivered to someone's timeline. Our social media presence is diverse, with a number of separate social media accounts for our various initiatives and programmes, including the One People Commission, *threads*, *Public Leadership*, *Gather* and *idea* magazine, as well as those of our national offices in Northern Ireland, Scotland and Wales.

*Threads* – our online collective of Christians in their 20s and 30s exploring faith and life – was once again short-listed for the Multi-Author Blog of the Year at the Premier Digital Awards in 2016, taking the runner-up place. *Threads* was launched in August 2012 as a response to the decline in young Christians in the Church in general and the Alliance specifically. The site has had more than 350 contributors writing articles from a range of different perspectives.

Over the Bank Holiday weekend in May, *threads* appeared at The Pursuit, spending the four days successfully raising the awareness of the *threads* brand, growing the subscription list and even getting financial support for the programme. This year, *threads* ran *The Twilight Tent*, a large area lit only by fairy lights for people to come, discuss their doubts, write them down on luggage tags hung across the ceiling and lay under the 'stars' while spending time with God.

*Threads* has been going from strength to strength in the past year, with more than 220,000 page views on *threadsUK.com* in 2016/17 – an average of 18,500 a month. There are more than 4,000 followers on @threadstweets and the Facebook and Instagram accounts are growing daily – currently with a combined total of followers exceeding 1,500. Thursday *threads* currently has more than 1,700 subscribers and an open rate of 32.8 per cent – nearly six per cent higher than the industry average.

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The latest project for *threads* is training church leaders to better reach the millennial generation. Eighty church leaders have so far been trained at our day-long events and through the resource packs created. Despite these first two training days being pilots, just under 80 per cent said they would 'definitely' recommend the day to a friend.

We have continued to resource members with a variety of e-communications: *Everything Advocacy*, *idea for leaders* and *Friday Night Theology*, as well as *Headlines* (our regular member email which presents bite-sized news, resources and events to equip and inform members) and our membership magazine *idea*. *REAP* is our monthly prayer email sent to over 2,000 members and supporters.

#### Fundraising

The majority of donation income is from regular donations from personal, church and organisation members and supporters. This does not require direct fundraising activity. Fundraising and publicity generated a return on investment based on direct costs of 4.4. Advertising revenue was £147,977 giving a return on investment of 2.7.

#### Financial Review

The Statement of Financial Activities on page 15 shows net incoming resources of the combined unrestricted and restricted funds for the Group (incorporating the charity and the trading subsidiary, The Evangelical Alliance Developments Limited) at £103,251 compared with net incoming resources of £42,053 in the previous year.

#### Income

Total income for the Group amounted to £2,467,059 (last year: £2,345,067). 87 per cent of this was from donations.

An analysis of donations is given in note 2 on page 20.

#### Expenditure

Total expenditure for the year was £2,364,785 (last year: £2,303,197). 91 per cent of expenditure related to charitable activities, with the balance of 9 per cent attributed to the cost of publicity and generating funds. A detailed analysis of expenditure is given in note 5 (page 21). Advocacy initiatives accounted for 26 per cent of expenditure, with unity initiatives amounting to 36 per cent and media and membership 28 per cent. Property and IT projects accounted for 1% of expenditure. The new charity accounting regulations mean that governance and support costs are allocated across the areas of activity.

Management Accounts are reviewed each month and distributed to the Finance Committee of the Board, ensuring that finances are regularly monitored. Updated forecasts are prepared quarterly.

#### Balance Sheet and Reserves

The balance sheet on page 16 shows that funds for the Group at 31 March 2017 totalled £3,018,648 (last year: £2,915,397) including net current assets of £795,053 (last year: £690,308) and general unrestricted funds of £394,208 (last year: £372,554).

The reserves policy is unchanged with a target reserves range between £300,000 and £400,000 as a result of a calculation taking into account a number of factors including the levels of monthly regular giving and monthly payroll costs. The policy states that the Board believes it is prudent to hold a cash reserve providing working capital to cover the seasonal fluctuations in its budget and to provide sufficient funds to cover the occurrence of genuine risks as identified in the risk register. Note 16 shows the free reserves at 31 March 2017 to be £394,208 which is an increase from the previous year figure of £372,554. The current investment policy is to hold funds on interest bearing deposit accounts with banks.

## **The Evangelical Alliance**

### **Report of the Board of Trustees**

**For the year ended 31 March 2017**

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#### **Structure & Governance**

The Evangelical Alliance is a charity registered in England and Wales and in Scotland, and a company limited by guarantee. It is referred to throughout the report and the financial statements as 'the Alliance'. The members of the board of trustees are also the directors of the company and so have the legal, financial and fiduciary responsibility for the governance of the company. The board is elected by a council of full members of the Alliance, 70 in number at 31 March 2017. The strategic policy of the Alliance is endorsed by this wider, representative council of members.

#### **Governance including recruitment and induction of trustees**

The Alliance is governed by its Articles of Association, approved in September 2015, which requires the board to take responsibility for the business of the Alliance. The members who form the board are shown on page one. Members of the council of members are elected at a General Meeting and are intended to be representative of the evangelical community in the UK. Potential members of the council are considered by a nominations sub-committee of the board. Consideration is given to the geographical location, gender, ethnicity, age and denominational background of members. Individuals hold office for four years, with discretion for reappointment for one further four-year term. Following the review of council, the new membership held its first two-day general meeting and summit in September 2016 and two prayer and listening days in 2017: February in Media City, Manchester, and March in London.

The board is appointed by the council of members. Trustees are appointed for a three-year term and may serve a maximum of three terms without a break in service. The board may appoint a person who is willing to be a board member, either to fill a vacancy or as an additional board member, provided that the appointment does not cause the number of board members to exceed the maximum number fixed by the Memorandum and Articles of Association. A board member so appointed holds office only until the next General Meeting, whereupon he or she is eligible for formal appointment provided he or she has also been appointed to the council of members.

The chair of trustees and the director of finance and operations arrange an induction for new trustees covering topics such as responsibilities of the board and its trustees, legal framework, organisational structure, history, vision and mission, strategic plan, funding and interpretation of financial statements. Council members are given a similar induction to the governance of the Alliance as part of their appointment process.

The Alliance's Articles of Association permits the board to delegate any of its powers to committees consisting of such persons that the board thinks suitable. There are currently committees comprising both trustees and council members who consider matters concerning the specialist areas of finance, leadership team remuneration, membership and nominations.

#### **Responsibilities of the board**

The trustees (who are also directors of the Alliance for the purposes of company law) are responsible for preparing the report of the trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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### **Report of the Board of Trustees**

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The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

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.

The board met four times during the year including a 24 hour board retreat in March.

#### **Organisational structure**

The board is responsible for appointing the leadership team of the Alliance who, overseen by the board of trustees, are responsible for agreeing, implementing and developing strategies, as well as motivating and developing staff.

The current leadership team are: Steve Clifford (general director), Gavin Calver (director of mission/England), Fred Drummond (national director in Scotland & prayer), Elfed Godding (national director in Wales & coalitions), Emrys Jones (director of finance and operations), Dave Landrum (advocacy director), and Peter Lynas (national director in Northern Ireland). Chine McDonald (director of communications & membership) left the Alliance on 23 March 2017 and there is currently a vacancy for this role.

Remuneration for the leadership team is agreed by the remuneration sub-committee of the board with reference to the agreed pay principles for all staff.

In addition to a gifted and committed staff team, we are especially grateful to volunteers who contributed nearly 2,200 hours to the Alliance during the year.

The Alliance has a subsidiary trading company, The Evangelical Alliance Developments Limited, through which some aspects of the work of the Alliance are carried out. In appropriate circumstances this company transfers surpluses to the Alliance. Details are given in note 3 to the financial statements.

#### **Membership of the board**

Rev Dr Steve Holmes and Mrs Arlene Small stood down from membership during the year. The board are extremely grateful to them for the experience and wisdom they brought to the trustees. Three new trustees were appointed in September 2016: Ms Ruth Awogbade, Rev Dr David Hilborn and Pastor Steve Uppal. They are proving to be a great addition to the Alliance board.

#### **Risk Assessment**

The staff risk working group under the leadership of the director of finance and operations has met once during the last year. It continued to identify and assess areas of potential risk to the organisation and the implementation of actions required to avoid risk. Risk management continues to be part of the organisational culture including in programme and event management. Staff are required to undertake practical risk assessments and mitigation for these and other activities. The focus over the last year has been on risk appetite of the board and the risk policy has been redrafted in the period to reflect this.

## **The Evangelical Alliance**

### **Report of the Board of Trustees**

#### **For the year ended 31 March 2017**

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The board review of strategic, operational and reputational risks at the beginning of the Strategic Plan period identified the following as the primary risks to the organisation: potential reduction in membership and income, doctrinal differences and reputational risks. These are being mitigated by church and organisation membership recruitment campaigns, development of personal supporter streams, particularly those under 40, clear membership rules, regular media monitoring and active management of relationships based on our evangelical relationship commitments.

#### **The Future**

2017/18 is the final year of our 2014-18 strategic plan. The board and leadership team are beginning the process of putting together the strategy and timetable for prayerfully identifying the key activities on which the Alliance should focus in the next four years. As well as our ongoing programmes, on 6-7 October 2017 our Gather team will be involved in the planning of Movement Day UK. We believe this will be an amazing opportunity for Christian leaders to come together from across the country to talk about and pray for our towns and cities.

2017 will also see our new database coming on-stream which we hope will allow us to not only communicate more effectively with our supporters but also to bring on board new people who we meet at our events, visit our websites or use our publications.

#### **Auditors**

Mazars LLP were reappointed as the charitable company's auditors during the year.

The report of the trustees has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Tani Omideyi  
Chair of Trustees  
29 June 2017

## **The Evangelical Alliance**

### **Report of the Auditors**

#### **For the year ended 31 March 2017**

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We have audited the financial statements of The Evangelical Alliance for the year ended 31 March 2017 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

#### **Respective responsibilities of trustees and auditor**

As explained more fully in the Responsibilities of the Board set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors. This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body for our audit work, for this report, or for the opinions we have formed.

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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

#### **Opinion on the financial statements**

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 31 March 2017 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

#### **Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Report of the Board of Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Board of Trustees has been prepared in accordance with applicable legal requirements.

**The Evangelical Alliance**

**Report of the Auditors**

**For the year ended 31 March 2017**

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**Matters on which we are required to report by exception**

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Board of Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- the charity has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the charity's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit. ; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Report of the Board of Trustees.

Alistair Fraser (Senior Statutory Auditor)  
for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

Times House, Throwley Way, Sutton, Surrey, SM1 4JQ

Date

Mazars LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

## Consolidated statement of financial activities (incorporating an income and expenditure account)

## For the year ended 31 March 2017

		2017		2016			
	Restricted	Unrestricted	Total	Restricted	Unrestricted	Total	
Note	£	£	£	£	£	£	
<b>Income and endowments from:</b>							
<b>Donations and legacies</b>							
Donations	2	443,761	1,708,591	<b>2,152,352</b>	429,685	1,659,357	2,089,042
Legacies		-	86,291	<b>86,291</b>	-	52,541	52,541
<b>Other trading activities</b>							
Serviced Desks		-	14,798	<b>14,798</b>	-	9,726	9,726
Advertising revenue		-	147,977	<b>147,977</b>	-	134,987	134,987
<b>Income from Investments</b>							
Interest and dividends receivable		129	1,709	<b>1,838</b>	160	1,876	2,036
<b>Income from charitable activities</b>							
Advocacy Initiatives		5,846	2,640	<b>8,486</b>	-	2,090	2,090
Unity and Mission Initiatives		40,071	2,070	<b>42,141</b>	35,556	2,011	37,567
Media & Membership		1,646	6,840	<b>8,486</b>	3,736	8,922	12,658
<b>Other Income</b>							
Other income		-	4,690	<b>4,690</b>	-	4,420	4,420
<b>Total income and endowments</b>		<b>491,453</b>	<b>1,975,606</b>	<b>2,467,059</b>	<b>469,137</b>	<b>1,875,930</b>	<b>2,345,067</b>
<b>Expenditure on:</b>							
Fundraising and publicity		-	155,029	<b>155,029</b>	-	173,963	173,963
Generation of advertising revenue		-	54,825	<b>54,825</b>	-	53,377	53,377
<b>Charitable activities</b>							
Advocacy Initiatives		112,766	500,599	<b>613,365</b>	93,139	518,594	611,733
Unity and Mission Initiatives		310,544	547,398	<b>857,942</b>	236,861	577,543	814,404
Media & Membership		10,625	652,898	<b>663,523</b>	77,467	545,951	623,418
Property & IT Projects		20,101	-	<b>20,101</b>	26,302	-	26,302
<b>Total expenditure</b>	5	<b>454,036</b>	<b>1,910,749</b>	<b>2,364,785</b>	<b>433,769</b>	<b>1,869,428</b>	<b>2,303,197</b>
Gains and Losses	12	-	977	<b>977</b>	-	183	183
Net income / (expenditure)	6	37,417	65,834	<b>103,251</b>	35,368	6,685	42,053
Transfers between funds	18	(14,084)	14,084	-	(10,257)	10,257	-
Net movements in funds		23,333	79,918	<b>103,251</b>	25,111	16,942	42,053
Funds at 1 April		264,616	2,650,781	<b>2,915,397</b>	239,505	2,633,839	2,873,344
Funds at 31 March		<b>287,949</b>	<b>2,730,699</b>	<b>3,018,648</b>	<b>264,616</b>	<b>2,650,781</b>	<b>2,915,397</b>

There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 18.

**The Evangelical Alliance**

ARIAL Draft: 23 June 2017 09:17

**Balance sheet**

Company No. 123448

**As at 31 March 2017**

	Note	The Group		The Alliance	
		2017	2016	2017	2016
		£	£	£	£
<b>Fixed assets</b>					
Tangible fixed assets	11	<b>2,210,921</b>	2,213,392	<b>2,210,921</b>	2,213,392
Investments	12	<b>12,674</b>	11,697	<b>12,676</b>	11,699
		<b>2,223,595</b>	2,225,089	<b>2,223,597</b>	2,225,091
<b>Current assets</b>					
Stock		<b>1,460</b>	1,752	<b>1,460</b>	1,752
Debtors	14	<b>132,513</b>	110,181	<b>118,788</b>	94,181
Short term deposits	13	<b>450,600</b>	448,861	<b>450,600</b>	448,861
Cash at bank and in hand	13	<b>396,965</b>	316,253	<b>389,663</b>	311,878
		<b>981,538</b>	877,047	<b>960,511</b>	856,672
<b>Liabilities</b>					
Creditors: amounts falling due within one year	15	<b>186,485</b>	186,739	<b>184,348</b>	185,098
<b>Net Current Assets</b>		<b>795,053</b>	690,308	<b>776,163</b>	671,574
<b>Net assets</b>	16	<b>3,018,648</b>	2,915,397	<b>2,999,760</b>	2,896,665
<b>Funds</b>					
Restricted funds		<b>287,949</b>	264,616	<b>287,949</b>	264,616
Designated fixed asset funds		<b>2,210,921</b>	2,213,392	<b>2,210,921</b>	2,213,392
Designated fund - Non-Charitable Trading		<b>18,888</b>	18,732	-	-
Designated funds - Others		<b>106,682</b>	46,103	<b>106,682</b>	46,103
Unrestricted general funds		<b>394,208</b>	372,554	<b>394,208</b>	372,554
<b>Total funds</b>	18	<b>3,018,648</b>	2,915,397	<b>2,999,760</b>	2,896,665

Approved by the Board of Trustees on 29th June 2017 and signed on their behalf by

Peter Jeffrey, Treasurer

## Statement of Cash Flows

As at 31 March 2017

		2017	2016
	Note	£	£
<b>Cash flow from operating activities</b>	19	<b>164,729</b>	126,298
<b>Net cash flow from operating activities</b>		<b>164,729</b>	126,298
<b>Cash flow from investing activities</b>			
Purchase of property, plant and equipment		(84,116)	(16,499)
Interest received		1,838	2,036
<b>Net cash used in investing activities</b>		<b>(82,278)</b>	(14,463)
<b>Net increase in cash and cash equivalents</b>		<b>82,451</b>	111,835
Cash and cash equivalents at 1st April 2016		765,114	653,279
<b>Cash and cash equivalents at 31st March 2017</b>		<b>847,565</b>	765,114
<b>Cash and cash equivalents consist of:</b>			
Cash at bank and in hand	13	396,965	316,253
Short term deposits	13	450,600	448,861
<b>Cash and cash equivalents at 31st March 2017</b>		<b>847,565</b>	765,114

## Notes to the financial statements

## For the year ended 31 March 2017

**1. Accounting policies****a) General information and basis of preparation**

Evangelical Alliance is a company limited by guarantee in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £5 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are to unite churches and organisations in our shared mission to see a transformed society and to present a confident and effective evangelical voice to government and the media by presenting Christ as good news for spiritual, social and physical transformation.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include listed investments at fair value and the trustees believe that no material uncertainties relating to the charity's ability to continue as a going concern exist. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

b) Stock is valued at the lower of net realisable value and cost.

c) The financial statements include the accounts of the national teams in Wales, Scotland and Northern Ireland. The group accounts consolidate the accounts of the charity and its subsidiary undertaking, The Evangelical Alliance Developments Limited. No income and expenditure account is presented for The Evangelical Alliance as provided by Section 408 of the Companies Act 2006. Consolidation has been undertaken on a line by line basis.

d) Depreciation is calculated at rates and on bases to write off the cost, less estimated residual value, of fixed assets over their expected useful lives. Assets are depreciated as follows:

Interests in long leasehold buildings	- Over 50 years straight line
Office equipment (including computers)	- 25 per cent per annum (six month charge in year of purchase)

Items are only capitalised if their purchase price exceeds £1,000. All assets will be reviewed for impairment if circumstances indicate their recoverable value to be materially lower than their value disclosed in the accounts.

**Notes to the financial statements****For the year ended 31 March 2017**

- e) Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable. Donated services are recognised as income where the provider of the service has incurred a financial cost, which is material. Volunteer time is not included in the financial statements, however volunteer time contributed approximately 2,200 hours during the year. Gifts in kind are valued at an estimate of their gross value to the Alliance.
- f) Legacy income is accounted for on a receivable basis. A legacy is considered receivable for the period only once there is entitlement, the amount can be measured reliably and it is probable that the legacy income will be received.
- g) Expenditure is allocated to the different categories in the statement of financial activities on a basis which reflects the day to day operations of the Group. Salary costs are allocated on a basis which reflects the responsibilities of the individual employees.
- h) Pension contributions are paid into an auto-enrolment compliant Group Personal Pension Plan with Aviva on behalf of all eligible employees who elect to have such a pension arrangement. This is an individual defined contribution arrangement. The Group's liability is limited to the employer's contributions. The amounts contributed are based on length of service and salary levels. All employees are eligible after three months of employment. The assets of the pension scheme are held in funds which are administered independently of the Group.
- i) Investments are held at mid market value at the balance sheet date. The gain or loss for the period is taken to the Statement of Financial Activities. All investments are mixed motive investments.
- j) Restricted funds are to be used for specific purposes laid down by the donor. Expenditure which meets these criteria is charged to the fund. Transfers from restricted funds represent charges by the charity for core budget staff or support, based on a reasonable percentage of restricted income received for the year. No further costs are allocated to restricted funds.
- k) Unrestricted funds are donations and other income receivable or generated for the objects of the charity.
- l) Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.
- m) The cost of generating funds relates to the costs incurred by the charitable trading company in raising funds for the charitable work.
- n) Grants payable are charged to the Statement of Financial Activities in the year in which the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions are fulfilled.
- o) Governance costs include costs relating to the management of the charitable company's assets, organisational management and compliance with constitutional and statutory requirements.
- p) Expenditure includes attributable VAT which cannot be recovered.

## Notes to the financial statements

## For the year ended 31 March 2017

## 2. Donations

			2017	2016
	Restricted	Unrestricted	Total	Total
	£	£	£	£
Individual donors	109,892	1,017,819	<b>1,127,711</b>	1,158,819
Income tax recoverable	5,941	153,218	<b>159,159</b>	158,734
Charitable trusts	266,000	43,500	<b>309,500</b>	212,210
Member churches	15,678	430,361	<b>446,039</b>	454,122
Member organisations	46,250	63,693	<b>109,943</b>	105,157
Total donations	<u>443,761</u>	<u>1,708,591</u>	<u><b>2,152,352</b></u>	<u>2,089,042</u>

## 3. Net income of trading subsidiary

The Alliance has a wholly owned trading subsidiary which is incorporated in England and Wales, Company Number 03181440. The Evangelical Alliance Developments Limited manages the production and distribution of publications and conducts trading activities for the Alliance.

A summary of trading results is shown below.

Audited accounts of The Evangelical Alliance Developments Limited will be filed with Companies House.

	2017	2016
	Total	Total
	£	£
Turnover	<b>274,868</b>	265,080
Cost of sales	<b>(110,397)</b>	(117,038)
Gross profit	<b>164,471</b>	148,042
Administration	<b>(102,091)</b>	(92,333)
Net profit before distribution to the Alliance	<u><b>62,380</b></u>	<u>55,709</u>
Aggregate funds at 31 March 2017	<u><b>18,888</b></u>	<u>18,732</u>

During the year, the Evangelical Alliance Developments Limited made distributions to the charity (the Alliance) of £62,200 (2016: £55,600). At 31 March 2017, The Evangelical Alliance Developments Limited had aggregate assets of £21,565 (2016: £20,946) and aggregate liabilities of £2,675 (2016: £2,212).

The parent undertaking's gross income and the results for the year are disclosed as follows:

	2017	2016
	Total	Total
	£	£
Gross income	<b>2,430,402</b>	2,355,450
Results for the year	<u><b>52,118</b></u>	<u>41,770</u>

## 4. Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in paragraph 1 schedule 6 Finance Act 2010 and meets the definition of a charitable company for UK tax purposes. In 2016/17 The Evangelical Alliance Developments Limited, a 100% owned trading subsidiary of The Evangelical Alliance, paid £24 in Corporation Tax (2015/16 £8).

## Notes to the financial statements

## For the year ended 31 March 2017

## 5. Total expenditure

	Staff related costs £	Property, equipment and office expenses £	Membership materials and resources £	Activities and programmes £	Financial costs inc VAT £	Grants made £	2017 Subtotal £	Allocated support costs £	Allocated governance costs £	2017 Total £	2016 Total £
<b>Cost of raising funds</b>											
Fundraising and publicity	89,637	15	24,255	-	-	-	113,907	38,626	2,496	155,029	173,963
Generation of advertising revenue	40,282	-	-	-	-	-	40,282	13,660	883	54,825	53,377
<b>Charitable activities</b>											
Advocacy Initiatives	403,019	18,064	-	35,732	-	-	456,815	147,050	9,500	613,365	611,733
Unity and Mission Initiatives	518,109	15,035	-	91,855	-	36,450	661,449	184,569	11,924	857,942	814,404
Media & Membership	343,438	1,148	136,434	4,938	-	1,563	487,521	165,321	10,681	663,523	623,418
Support costs	317,358	202,933	-	-	28,935	-	549,226	(549,226)	-	-	-
Property & IT Projects	-	2,670	-	17,431	-	-	20,101	-	-	20,101	26,302
Governance	20,823	4,787	-	-	9,874	-	35,484	-	(35,484)	-	-
<b>Total expenditure (2016/2017)</b>	<b>1,732,666</b>	<b>244,652</b>	<b>160,689</b>	<b>149,956</b>	<b>38,809</b>	<b>38,013</b>	<b>2,364,785</b>	-	-	<b>2,364,785</b>	<b>2,303,197</b>
Total expenditure (2015/2016)	1,619,094	232,623	172,867	191,261	41,002	46,350	2,303,197	-	-	2,303,197	2,325,548

Staff related costs includes £101,805 (2016: £101,128) in respect of staff expenses, recruitment, welfare and training and £87,761 (2016: £98,298) in respect of amounts paid to contractors who are not employees of the Alliance.

Property, equipment and office expenses includes £86,587 (2016: £86,802) depreciation in respect of buildings and equipment of the Group.

Governance costs in the consolidated statement of financial activities includes the tax charge of £24 (2016: £8) relating to the liability in The Evangelical Alliance Developments Ltd.

Support costs and governance costs, including the salary cost of staff with support responsibilities, have been allocated to other unrestricted expenditure headings on a pro rata of costs basis.

## Notes to the financial statements

## For the year ended 31 March 2017

## 6. Net incoming resources for the year

This is stated after charging:

	2017	2016
	£	£
Depreciation		
Owned assets	86,587	86,802
Trustee expenses	2,230	2,773
Trustee remuneration	Nil	Nil
Auditors' remuneration - audit fees	8,250	8,000
Auditors' remuneration - other fees	700	900
	<u>700</u>	<u>900</u>

During the year 7 members of the Board of Trustees received reimbursement for travel expenses (2016: 10).

There is a trustees' indemnity policy which is permitted by the Articles of Association of the Alliance.

## 7. Staff costs and numbers

Staff costs were as follows:

	2017	2016
	£	£
Salaries	1,319,819	1,225,612
Social security costs	124,674	104,854
Pension costs	93,076	84,005
Death in service benefits	5,531	5,197
Other staff related costs	101,805	101,128
Payments to contractors	87,761	98,298
	<u>1,732,666</u>	<u>1,619,094</u>

One employee earned between £60,000 and £65,000 during the year. (2016 - One)

The employer's pension contribution for staff earning over £60,000 was £5,834. (2016 - £5,719)

Termination payments of £13,500 were made during the year (2016 - £3,500)

The trustees consider that the key management personnel of the charity are the eight members of the Leadership Team. The total employment costs for the Leadership Team was £465,302 (2016: £429,370).

The cost to the Group of providing pension and death in service benefits during the year ended 31 March 2017 was £98,607 (2016: £89,202). There was an accrual of £Nil in respect of pension contributions at the year end (2016: £10,391) and an accrual of £26,046 (2016 £Nil) in respect of untaken staff annual leave.

## Notes to the financial statements

## For the year ended 31 March 2017

**7. Staff costs and numbers (continued)**

The monthly average number of employees employed under contracts of service during the year was as follows:

	<b>2017</b>	<b>2017</b>	2016	2016
	<b>Actual</b>	<b>FTE</b>	Actual	FTE
	<b>No.</b>	<b>No.</b>	No.	No.
Fundraising and publicity	<b>2.0</b>	<b>1.8</b>	2.0	2.0
Generation of advertising revenue	<b>1.0</b>	<b>1.0</b>	1.0	1.0
Advocacy Initiatives	<b>9.7</b>	<b>8.9</b>	9.9	8.7
Unity and Mission Initiatives	<b>15.2</b>	<b>10.7</b>	13.9	8.4
Media & Membership	<b>10.9</b>	<b>9.4</b>	10.9	8.1
Support team	<b>7.7</b>	<b>7.0</b>	7.7	6.6
Governance	<b>0.4</b>	<b>0.4</b>	0.4	0.4
	<b>46.9</b>	<b>39.2</b>	45.8	35.2

**8. Grants payable**

During the year the Alliance made grants from unrestricted funds to 4 organisations with similar objects to its own. These organisations are not under the control of The Evangelical Alliance and they are each separately administered. The grants totalled £20,763 (2016: £24,650). Of these, £19,200 are included within unity initiatives unrestricted expenditure and £1,563 within Media & Membership unrestricted expenditure. A payment of £16,500 was made to the European Evangelical Alliance (EEA) and a grant of £2,700 was made to the World Evangelical Alliance. A grant of £1,563 was made to the Churches Media Council.

Grants of £17,250 were made from restricted funds: All of these were made to Bible and theological colleges to support 14 UK lay ministers in training (2016: £21,700).

A further grant of £8,495 (2016: £11,403) was allocated to the South Asia Forum Restricted Fund. This is treated as a transfer between funds (note 18).

**9. Related party transactions**

The Group has taken advantage of the exemption which is conferred by FRS 102 Section 33 that allows it not to disclose transactions with the Group undertakings that are eliminated on consolidation.

Mr Julian Richards is on the Board of the Evangelical Alliance and also on the Executive Committee of the European Evangelical Alliance to which the EA gave a grant of £16,500 (2016: £16,500) - see note 8.

**Notes to the financial statements**

**For the year ended 31 March 2017**

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**10. Working Arrangements**

Where a working arrangement has a restricted fund, it is explained in Note 18.

The Evangelical Alliance has a working arrangement with Christian Vision for an online church finder tool to connect new Christians to a local church.

The Evangelical Alliance and Global Connections have a joint working arrangement to run events for CEOs of member organisations.

The Alliance has a working arrangement with Sheila Jones for the HR Network. This working arrangement was established when Sheila Jones ceased to be an employee of the Alliance in 2007.

The Evangelical Alliance has a working agreement for MentorConnect with CPAS and Stewardship. This is to establish a national inter-denominational mentoring network that links Christian leaders online to trained Christian mentors.

## Notes to the financial statements

## For the year ended 31 March 2017

## 11. Tangible fixed assets

The Group & The Alliance	Interests in leasehold property £	Office equipment £	Total £
<b>COST</b>			
At 1 April 2016	2,281,459	388,503	<b>2,669,962</b>
Additions in the year	-	84,116	<b>84,116</b>
	<b>2,281,459</b>	<b>472,619</b>	<b>2,754,078</b>
<b>DEPRECIATION</b>			
At 1 April 2016	135,450	321,120	<b>456,570</b>
Charge for the year	45,150	41,437	<b>86,587</b>
At 31 March 2017	<b>180,600</b>	<b>362,557</b>	<b>543,157</b>
<b>NET BOOK VALUE</b>			
At 31 March 2017	<b>2,100,859</b>	<b>110,062</b>	<b>2,210,921</b>
At 31 March 2016	<b>2,146,009</b>	<b>67,383</b>	<b>2,213,392</b>

## 12. Investments

	The Group		The Alliance	
	At 31 March 2017 £	At 31 March 2016 £	At 31 March 2017 £	At 31 March 2016 £
Valuation at 1st April				
COIF Charities Fixed Investment Fund	<b>11,697</b>	11,514	<b>11,697</b>	11,514
Revaluation	<b>977</b>	183	<b>977</b>	183
Shares in Subsidiary Undertakings	-	-	<b>2</b>	2
Valuation at 31 March	<b>12,674</b>	<b>11,697</b>	<b>12,676</b>	<b>11,699</b>

Details of the subsidiary undertakings are set out in Note 3.

Investments are held at market value.

The historic cost of the COIF Investment Fund was £10,000 in October 2012

## 13. Short Term Deposits

Short term deposits are held on an interest bearing COIF Charities Deposit Fund.

Cash at bank is primarily held on an interest bearing account at National Westminster Bank PLC.

## Notes to the financial statements

## For the year ended 31 March 2017

## 14. Debtors

	The Group		The Alliance	
	2017	2016	2017	2016
	£	£	£	£
Tax Recoverable	29,207	28,429	19,688	21,275
Amounts owed by trading subsidiary	-	-	538	-
Trade debtors	8,179	13,109	3,435	4,263
Other debtors	63,947	29,180	63,947	29,180
Prepayments	31,180	39,463	31,180	39,463
	<b>132,513</b>	<b>110,181</b>	<b>118,788</b>	<b>94,181</b>

## 15. Creditors : amounts falling due within one year

	The Group		The Alliance	
	2017	2016	2017	2016
	£	£	£	£
PAYE and NI contributions	35,027	32,442	35,027	32,442
Corporation Tax & VAT	24	8	-	-
Amounts owed to trading subsidiary	-	-	-	571
Trade creditors	84,904	101,471	84,904	101,422
Accruals	53,187	38,616	51,137	36,616
Other creditors	13,343	14,202	13,280	14,047
	<b>186,485</b>	<b>186,739</b>	<b>184,348</b>	<b>185,098</b>

## 16. Analysis of net assets between funds of the Group

	Designated funds	General fund	Restricted funds	Total
	£	£	£	£
Fixed Assets	2,210,921	-	-	2,210,921
Investments	-	12,674	-	12,674
Net current assets	125,570	381,534	287,949	795,053
Net assets	<b>2,336,491</b>	<b>394,208</b>	<b>287,949</b>	<b>3,018,648</b>

It is the Net Current Assets plus Investments General Fund balance of £394,208, that is considered to be "free reserves" for the purposes of the Reserves Policy.

## 17. Limitation by Guarantee

The guarantee of members is limited to £5 each. There were 70 members at 31 March 2017 (2016: 71).

18. Consolidated movement in funds

	At 1 April 2016 £	Income £	Expenditure £	Gains and Losses £	Transfers £	At 31 March 2017 £
<b>Restricted Funds</b>						
Advocacy Fund	-	46,875	(46,875)	-	-	-
C I C C	11,575	11,949	(14,556)	-	-	8,968
C I C C Houghton Fund	4,034	10	(2,028)	-	-	2,016
Coalition on Drugs	3,366	13	-	-	-	3,379
Forum for Change	1,047	-	(1,047)	-	-	-
Gather Fund	-	58,725	(58,725)	-	-	-
GWEINI	3,848	3,126	(5,385)	-	3,500	5,089
H M Gooch Memorial Fund	12,557	49	-	-	(49)	12,557
Northern Ireland Fund	-	42,328	(42,328)	-	-	-
Restricted I T Fund	78,815	313	(17,432)	-	-	61,696
Jewels in His Crown	1,805	-	-	-	-	1,805
Mission Fund	26,875	134,175	(94,280)	-	-	66,770
Missional Leadership	444	8,936	(9,380)	-	-	-
Public Leadership Fund	-	42,719	(42,719)	-	-	-
Religious Liberty Commission	1,645	2,000	-	-	-	3,645
Scotland Fund	-	1,625	(1,625)	-	-	-
Scottish Public Leaders	5,725	25,596	(7,879)	-	(10,275)	13,167
S C Y W F	10,028	43,071	(38,664)	-	(2,100)	12,335
South Asia Forum	30,039	9,529	(22,645)	-	8,495	25,418
Speak Up	28,148	26,778	(15,293)	-	(12,155)	27,478
Student Bursary Fund	2,674	20,011	(17,418)	-	(1,500)	3,767
The Net, Cardiff	1,463	-	(1,463)	-	-	-
What Kind of Church	-	2,000	-	-	-	2,000
Threads Fund	-	10,625	(10,625)	-	-	-
Wales Fund	-	1,000	(1,000)	-	-	-
Restricted Property Project Fund	40,528	-	(2,669)	-	-	37,859
<b>Total restricted funds</b>	<b>264,616</b>	<b>491,453</b>	<b>(454,036)</b>	<b>-</b>	<b>(14,084)</b>	<b>287,949</b>
Designated Fixed Asset Funds	2,213,392	-	-	-	(2,471)	2,210,921
Designated I T Fund	-	-	-	-	50,000	50,000
Designated Development Fund	38,003	-	(91,421)	-	92,000	38,582
Designated Facilities Fund	8,100	-	-	-	10,000	18,100
Designated Non-Charitable Trading Fund	18,732	147,977	(147,821)	-	-	18,888
General Funds	372,554	1,827,629	(1,671,507)	977	(135,445)	394,208
<b>Total unrestricted funds</b>	<b>2,650,781</b>	<b>1,975,606</b>	<b>(1,910,749)</b>	<b>977</b>	<b>14,084</b>	<b>2,730,699</b>
<b>Total funds</b>	<b>2,915,397</b>	<b>2,467,059</b>	<b>(2,364,785)</b>	<b>977</b>	<b>-</b>	<b>3,018,648</b>

Notes to the financial statements

For the year ended 31 March 2017

**18. Consolidated movement in funds (continued)**

**Purpose of restricted funds and related working arrangements**

The advocacy fund held donations given for initiatives specifically undertaken by the advocacy team. However, the majority of advocacy work was funded from unrestricted income.

The vision for the Cymru Institute of Contemporary Christianity (C I C C) is to see and help Christians in Wales engaging biblically with contemporary issues and people. There is a working arrangement for this initiative.

The C I C C Houghton Fund is for use on C I C C projects and events relating to medical matters. The fund was originally a gift to the London Institute of Contemporary Christianity and transferred to the Alliance in 2010.

The Coalition on Drugs raises awareness of drug issues to church and society and provides a network of support for Christians in drug/alcohol related ministries.

The Forum for Change is an advocacy initiative bringing together a network of organisations, individuals and churches to mobilise the Church in influencing key change drivers in education, politics, the media, the arts and business.

Gather is a programme of the Alliance. It is a national network of unity movements in towns, cities and villages across England which provides support and opportunities to exchange experience between local movements. The restricted fund holds donations specifically given to this programme. Programme costs from the core budget are charged to the fund. A significant part of the programme was funded from unrestricted funds.

GWEINI is an initiative of the Evangelical Alliance in Wales working with churches and organisations, to represent the Christian voluntary sector in Wales to all levels of government and to network at a local level. The finances are administered through two restricted funds in the Evangelical Alliance accounts. There is a working arrangement for this initiative.

The H M Gooch Memorial Fund was established in memory of a late general secretary of the Alliance. One half of the income from the fund in any year is used for the relief of distressed and persecuted Christians and the maintenance of religious liberty, with the remainder used for the general purposes of the Alliance.

The Northern Ireland Fund held donations specifically given for work in the nation. However, the majority of funding for initiatives in Northern Ireland is shown as unrestricted expenditure.

The I T Fund was set up for donations for major IT projects, particularly the selection and implementation of a new CRM database.

Jewels in His Crown facilitates ministry amongst South Asians in Britain to people from all religious backgrounds and celebrates the cultural diversity and richness of the multi-cultural Body of Christ in Britain. The restricted fund is used for related activities. It was transferred to the Alliance to be managed by the South Asian Forum.

The Mission Fund is for donations for the work and programmes of the Alliance's Unity in Mission team, including the Great Commission Web Portal.

Notes to the financial statements

**For the year ended 31 March 2017**

**18. Consolidated movement in funds (continued)**

**Purpose of restricted funds and related working arrangements (continued)**

Missional Leadership is an initiative in EA Wales to work with Christians from the United States to share the Christian Gospel in Wales.

Public Leadership is the Evangelical Alliance's programme to see more Christians inspired to serve and lead in public life. The restricted fund holds donations specifically given to this programme. Programme costs from the core budget are charged to the fund.

The Religious Liberty Commission brings together Open Doors, Release International and Christian Solidarity Worldwide working on behalf of persecuted Christians to speak with one voice and encourage the UK church to support persecuted Christians.

The Scotland Fund held donations specifically given for work in the nation. However, the majority of funding for initiatives in Scotland is shown as unrestricted expenditure.

Scottish Public Leaders programme is part of the main Public Leadership programme to see more Christians inspired to serve and lead in public life. The restricted fund holds donations specifically given to this programme. Programme costs from the core budget are charged to the fund.

Scottish Christian Youth Work Forum (S C Y W F) aims to encourage and enable the Church and wider Christian community in Scotland to help young people encounter Jesus, in particular through the annual Deep Impact event for Christian youth workers. A working arrangement exists for this initiative between the Alliance and nine other organisations.

The South Asian Forum (SAF) provides a forum for South Asian Christians in the UK. Church, organisation and personal members of SAF will also be members of the Alliance. The Alliance provides membership administration and allocates a proportion of donations received to SAF as designated funds. During the year, a part time National Co-ordinator and project manager was employed. SAF is operated as a restricted fund of the Alliance. The Alliance has a working arrangement for SAF.

Speak Up is an accessible resource being produced by the Alliance and the Lawyers Christian Fellowship to encourage Christians to speak about the good news of Jesus Christ in private, work and public life by reference to the law as it is today.

The Student Bursary Fund provides support for lay ministers in training at Bible and Theological Colleges. These funds are a grant from the Jerusalem Trust.

The Net Cardiff Fund is to fund the salary costs of a worker for an initiative supporting Cardiff churches. During the year the Alliance made an allocation to Net Cardiff as designated funding.

Notes to the financial statements

For the year ended 31 March 2017

18. Consolidated movement in funds (continued)

**Purpose of restricted funds and related working arrangements (continued)**

What Kind of Church is a resource produced by the Alliance to provoke a discussion about the UK Church's values and praxis when compared to God's calling on us as individuals and what the Church should be to make a difference in the nation.

Threads is a programme of the Alliance. It is a collective of Christians in their 20s and 30s exploring faith and life through an online and offline community. The restricted fund holds donations specifically given to this programme. Programme costs from the core budget are charged to the fund. A significant part of the programme was funded by unrestricted funds.

The Wales Fund held donations specifically given for work in the nation. However, the majority of funding for initiatives in Wales is shown as unrestricted expenditure.

The Restricted Property Project Fund was set up for the move to new premises in Copenhagen Street in 2013 which provided a working environment which is fit for purpose and makes for more effective working. There are still some outstanding costs to the project which will be charged to the fund.

Transfers from restricted funds represent charges by the Alliance for administrative services. Transfers into restricted funds are the Alliance's contributions to shared programmes.

**Purpose of designated funds**

The Designated Fixed Asset Fund reflects the net book value of all fixed assets held by the Evangelical Alliance. This includes the Alliance's interest in a long leasehold property, IT and office equipment held by the Alliance ref Note 11.

The Designated I T Fund has been set up to provide additional funding for the selection and implementation of a new CRM database. £50,000 was designated by the trustees.

The Development Fund was set up to fund high impact initiatives connected to the Alliance's commitment to bring together the evangelical community – building unity for mission and allowing that community to have a voice to government, media or the church. Such initiatives are for a maximum of three years, and provide an opportunity to encourage entrepreneurship, creativity and flexibility. £92,000 was designated by the trustees.

The Designated Facilities Fund has been set up to even out facilities expenditure within the five year rolling maintenance plan. £10,000 was designated by the trustees.

The Designated Non-Charitable Trading Fund represents the activities of the Alliance's subsidiary company, The Evangelical Alliance Developments Limited. This fund will remain as long as the Alliance has any trading subsidiaries.

## Notes to the financial statements

**For the year ended 31 March 2017**

## 19. Reconciliation of net income to net cash flow from operating activities

	<b>2017</b>	<b>2016</b>
	£	£
Net income for the year	103,251	42,053
Interest receivable	(1,838)	(2,036)
Depreciation of tangible fixed assets	86,587	86,802
Gains on investments	(977)	(183)
Decrease / (Increase) in stock	292	(1,752)
(Increase) in debtors	(22,332)	(9,900)
(Decrease) / Increase in creditors	(254)	11,314
	<b><u>164,729</u></b>	<b><u>126,298</u></b>