

ANDREW WOMMACK MINISTRIES - EUROPE
ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 30TH JUNE 2012

Charity number: 1124541
Company number: 06569927

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ANDREW WOMMACK MINISTRIES - EUROPE

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2012

1. Legal and Administrative Information:-

Charity:-	Andrew Wommack Ministries - Europe
Registered Company Number:-	06569927
Registered Charity Number:-	1124541
Governing Document:-	Memorandum and Articles of Association - Incorporated 18th April 2008
Charity transfer:-	On 30th June 2008 the net assets and activities of Andrew Wommack Ministries - Europe, charity number 1032438, an unincorporated association, were transferred to the company, the company being dormant until that date.
Directors/Trustees:-	Andrew Wommack Jamie Wommack Robert Ward Trevor Lancashire John Donnelly
Chief Executive Officer and Company Secretary:-	Will Graham (to June 2012) David Illingworth (from September 2012)
Address:-	Grace International Centre, Leamore Lane, Walsall, WS2 7PS.
Statutory Auditors:-	Baldwin McCranor Limited, Chartered Certified Accountants, Clifford House, 38/44 Binley Road, Coventry, CV3 1JA.
Solicitors:-	Anthony Collins Solicitors LLP, 134 Edmund Street, Birmingham, B3 2ES.
Banks:-	Unlty Trust Bank plc., Nine Brindleyplace, Birmingham, B1 2HB. Barclays Bank plc., The Bridge, Walsall, WS1 1LR. Ulster Bank plc., 37 High Street, Carrick Fergus, Co. Antrim, BT38 7AN.

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FOR THE YEAR ENDED 30TH JUNE 2012

2. Objectives and policies:-

The Charity "Andrew Wommack Ministries - Europe" exists to serve the public by providing teaching on the Gospel of Jesus Christ to anyone and everyone, regardless of their ability to pay. Methods employed include regular television programmes on Christian broadcasting channels, distribution of audio, DVD and written materials, conferences and meetings and a website in multiple languages.

Free access to the teaching of Andrew Wommack is the objective which continues to underpin all activity. As has always been the case, any person may request up to 3 CDs per week, from an extensive catalogue, without any charge whatsoever. Free downloads from the same catalogue can also be accessed on the website www.awme.net.

3. Review of development, activities and achievements, including plans for future periods:-

We have continued, throughout the year, to meet requests coming from all over the world, for materials, conferences, and translations of books. The main development focus will continue to be meeting these needs and we continue to add a number of new languages to our list of translations. The website, www.awme.net, has seen a significant increase in visitors.

The prayer line and encouragement department received 5,157 calls during the year, with many people being helped to access the healing power of God for physical, emotional and circumstantial difficulties.

Throughout the world the Daily Gospel Truth television programmes continue to air on God TV, Daystar, TBN and Church Channel, making the work of the ministry accessible to most of the world's population.

Television programming, dubbed into Hungarian, Russian, Finnish and Dutch continue to be aired on Pax TV in Hungary, CNL TV in Russia, the Family Channel in Holland and TV7 in Finland.

Throughout Europe, and in countries further afield, we continue to seek opportunities to minister the gospel to those in need. We continue to develop an association with ministers and churches in some 25 countries across the world.

Our Grace and Faith Family Camp was held at our new venue, Telford Conference Centre, and all events were well attended; live streaming was made available through our website, increasing the number of people who could benefit from the conferences without incurring travel costs. A church leaders' conference was held in Warwick in October and through this the charity seeks to support church leaders by providing a forum for meeting other leaders, as well as offering a short time of personal spiritual refreshment.

The charity supplied, free of charge, 12,239 CDs, 2,974 DVDs and 1,042 books, during the year. Almost every audio teaching in our catalogue is available for free download on our website; making public access free and easy, as well as helping to keep production costs down. E-books continue to be added to the website, in English and other languages.

The website, www.awme.net, received on average 25,000 visitors each month, to view the free articles, download the free audio files, purchase products or make donations. The website is continually evaluated and developed as we seek to increase the free availability of teaching on the Gospel of Grace through Christ Jesus.

During the year the AWME social media accounts continued to grow and were administered by our USA office. The number of viewings on YouTube during the year was 114,000 and the number of followers on Twitter was 9,500. In addition 36,000 visitors viewed our Facebook page.

Charis Bible College Walsall graduated 91 students in June 2012, 38 having completed the one year course full time, 17 having completed the one year course by correspondence, 32 the two year diploma course, and 21 the apprenticeship programme. In September 2012, there is an expected enrolment of 100 students.

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TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2012

3. Review of development, activities and achievements, including plans for future periods:-
continued

Correspondence student numbers continue to grow. There are 400 on file who have begun the course within the last 3 years, 100 have joined this year.

Charis Bible College Belfast graduated 8 first year students and 5 second year in May 2012 and welcomed 10 new full time students in September 2012 together with 8 Night School students.

The offices in Hungary, South Africa and India continue to grow, providing access to the ministry's teaching materials in those areas and, in many cases, in local languages.

The new German office opened in September 2011.

Plans continue with the refurbishment of the Grace International Centre.

4. Relationship with other charities:-

The Charity has a close working relationship with Andrew Wommack Ministries Incorporated in the USA. The latter produces the master audio and DVD discs, as well as the television programmes which it allows the Charity, at no charge, to copy and distribute. The successful future of the Charity is largely dependent upon the continuation of the present or similar arrangement for the supply of material. The Charity also regularly supports local evangelism and Bible teaching throughout Europe and the Far East.

5. Review of financial aspects:-

In spite of an ever tightening economic environment, we are pleased to report an 8% increase in income for normal activities this year. Total Income for 2011/12 was £2,296,037, of which £2,048,681 related to normal activities and £247,356 was received in response to the Building Fund appeal.

Expenditure increased by 8% to £2,105,537 in total.

The Charitable Fund closed the year at £1,319,180. This includes the freehold property purchased in the previous year.

6. Reserves:-

The Free reserves, i.e. unrestricted funds represented by net current assets, stands at £278,025. The Trustees consider that these resources are adequate to meet the Charity's ongoing commitments and requirements.

ANDREW WOMMACK MINISTRIES - EUROPE

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2012

7. Governance and internal control

(Incorporating Statement of Directors' Responsibilities):-

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the Charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the directors should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any 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 Charity will continue in operation.

The directors are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the Charity and which enable them to ascertain the financial position of the Charity and which enable them to ensure that the financial statements comply with applicable law. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

8. Statement as to Disclosure of Information to Auditors:-

In accordance with company law, as the company's directors, we certify that so far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and as the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005) and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

On behalf of the board



R. Ward - Trustee

Date: 22nd February 2013

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
ANDREW WOMMACK MINISTRIES - EUROPE**

We have audited the financial statements of Andrew Wommack Ministries - Europe for the year ended 30th June 2012 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement, 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.

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.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30th June 2012, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 Trustees' Annual Report.

Baldwin McCranor Limited

**ZOE WALSH FCCA
SENIOR STATUTORY AUDITOR
FOR AND ON BEHALF OF BALDWIN McCRANOR LIMITED**

28TH FEBRUARY 2013

**CLIFFORD HOUSE,
38/44 BINLEY ROAD,
COVENTRY,
CV3 1JA.**

ANDREW WOMMACK MINISTRIES - EUROPE

**STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an Income and Expenditure Account)**

FOR THE YEAR ENDED 30TH JUNE 2012

	Note	Unrestricted funds £	Restricted funds (Note 10) £	Total 2012 £	Total 2011 £
Incoming resources:					
Incoming resources from generated funds					
Voluntary Income					
Donations		799,666	436,548	1,236,214	1,158,376
Other income		47,572	-	47,572	19,668
Investment Income					
Bank interest		43	-	43	1,970
Incoming resources from charitable activities					
Partnership programmes		584,065	-	584,065	461,209
Sales		180,914	-	180,914	235,898
Bible school fees		247,229	-	247,229	237,332
Total Incoming resources		£1,859,489	£436,548	£2,296,037	£2,114,453
Resources expended:					
Cost of generating funds		206,349	-	206,349	169,327
Charitable activities		1,614,065	247,712	1,861,777	1,744,177
Governance costs		37,411	-	37,411	29,003
Total resources expended	2.	£1,857,825	£247,712	£2,105,537	£1,942,507
Net incoming resources		1,664	188,836	190,500	171,946
Fund balances brought forward at 1st July 2011		287,957	840,723	1,128,680	956,734
Transfer		8,054	(8,054)	-	-
Fund balances carried forward at 30th June 2012		£297,675	£1,021,505	£1,319,180	£1,128,680

Statement of changes in resources applied for fixed assets for charity use

	Unrestricted funds £	Restricted funds £	Total 2012 £	Total 2011 £
Net movement in funds for the period	1,664	188,836	190,500	171,946
Resources applied to tangible fixed assets	103,821	(154,959)	(51,138)	(1,026,151)
Net movement in funds available for future activities	£105,485	£33,877	£139,362	£(854,205)

ANDREW WOMMACK MINISTRIES - EUROPE

BALANCE SHEET

AS AT 30TH JUNE 2012

	Note	2012		2011	
		£	£	£	£
Fixed assets					
Tangible fixed assets	4.		1,086,864		1,035,726
Current assets					
Stock	5.	34,592		69,006	
Debtors	6.	104,972		163,369	
Cash at bank and in hand		535,894		248,574	
		<u>£675,458</u>		<u>£480,949</u>	
Creditors: Amounts falling due within one year	7.	<u>£188,252</u>		<u>£86,325</u>	
Net current assets			<u>487,206</u>		<u>394,624</u>
Total assets less current liabilities			1,574,070		1,430,350
Creditors: Amounts falling due after more than one year	8.		(254,890)		(301,670)
Net assets			<u>£1,319,180</u>		<u>£1,128,680</u>
Funds	10.				
Unrestricted			297,675		287,957
Restricted			1,021,505		840,723
			<u>£1,319,180</u>		<u>£1,128,680</u>

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

The accounts on pages 6 to 13 were approved by the Board of Directors on 22nd February 2013.



R. Ward - Director

Charity number: 1124541
Company number: 06569927

ANDREW WOMMACK MINISTRIES - EUROPE

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30TH JUNE 2012

1. Accounting policies

- (a) The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) and the Financial Reporting Standard for Smaller Entities (effective April 2008).
- (b) The amounts shown as donations, partnership programmes and fees are accounted for on a receivable basis including income tax recoverable where appropriate. Legacies are accounted for on an accruals basis where the charity is reasonably certain of its entitlement to the legacy and when the amount can be reliably measured.
- (c) Expenditure is shown on an accruals basis. Support costs are allocated to activity headings on an actual or estimated basis.
- (d) Expenditure incurred in providing fixed assets, e.g. equipment purchases, is allocated over the expected useful life of the asset by means of a charge for depreciation against the income for the period.
- (e) Depreciation has been charged on cost at the following rates:

Freehold property	2% per annum, i.e. depreciated over fifty years
Furniture and fittings	33% per annum, i.e. depreciated over three years
Computers and other equipment	25% per annum, i.e. depreciated over four years
- (f) Stocks of books for resale are shown at the lower of cost and net realisable value.
- (g) Income received for a specific purpose have been shown as restricted fund income and the related expenditure has been charged against that fund.

ANDREW WOMMACK MINISTRIES - EUROPE

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30TH JUNE 2012

2. Analysis of resources expended	Direct costs £	Support costs £	Total 2012 £	Total 2011 £
Cost of generating funds				
Advertising, marketing and fundraising costs	£73,150	£133,199	£206,349	£169,327
Charitable activities				
Production and distribution costs	548,503	379,554	928,057	784,449
Television broadcasting costs	469,068	19,537	488,605	466,248
Conferences and missions	19,424	44,011	63,435	62,531
Charis Bible College	186,248	75,668	261,916	394,858
Grant to USA building project - restricted	52,386	-	52,386	-
Other costs of activities in furtherance of objects	47,841	19,537	67,378	36,091
	<u>£1,323,470</u>	<u>£538,307</u>	<u>£1,861,777</u>	<u>£1,744,177</u>
Governance costs				
Professional fees	-	10,000	10,000	9,000
Other expenses	3,878	23,533	27,411	20,003
	<u>£3,878</u>	<u>£33,533</u>	<u>£37,411</u>	<u>£29,003</u>
Total resources expended	<u>£1,400,498</u>	<u>£705,039</u>	<u>£2,105,537</u>	<u>£1,942,507</u>

Support costs is analysed as follows:

Salaries	163,758
Rent and rates	30,521
Stationery and office costs	152,537
Repairs and renewals	175,995
Professional fees	30,003
Irrecoverable VAT	55,308
Bank charges and hire purchase interest	48,281
Depreciation	33,297
Loan interest	15,339
	<u>£705,039</u>

Resources expended includes:

Auditors' remuneration - audit fees	5,000	4,500
- other services	3,300	3,525
Trustees' remuneration	-	-

Trustees' expenses reimbursed during the year amounted to £3,774 (2011 - £512).

Charitable activities includes discretionary grants and donations of £28,280 (2011 - £44,323) to various individuals and charitable organisations.

ANDREW WOMMACK MINISTRIES - EUROPE

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30TH JUNE 2012

3. Staff costs			2012	2011
			£	£
Wages and salaries			526,036	489,173
National Insurance			33,076	35,218
			£559,112	£524,391
Average number of employees			37	29
No employee earned £60,000 per annum or more.				
4. Tangible fixed assets				
	Freehold property	Furniture and fittings	Computers and other equipment	Total
	£	£	£	£
Cost				
At 1st July 2011	1,016,555	17,534	82,570	1,116,659
Additions	74,998	266	9,170	84,434
At 30th June 2012	£1,091,553	£17,800	£91,740	£1,201,093
Accumulated depreciation				
At 1st July 2011	3,388	13,994	63,551	80,933
Charge for the year	21,831	1,928	9,537	33,296
At 30th June 2012	£25,219	£15,922	£73,088	£114,229
Net book value				
30th June 2012	£1,066,334	£1,878	£18,652	£1,086,864
1st July 2011	£1,013,167	£3,540	£19,019	£1,035,726
5. Stocks			2012	2011
			£	£
Stock of books for resale			£34,592	£69,006

ANDREW WOMMACK MINISTRIES - EUROPE

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30TH JUNE 2012

6. Debtors	2012	2011
	£	£
Trade debtors	25,926	12,027
Prepayments and accrued income	11,259	58,847
Other debtors	67,787	92,495
	£104,972	£163,369

7. Creditors: amounts falling due within one year	2012	2011
	£	£
Accruals and deferred income	36,884	12,029
Trade creditors	94,800	21,465
Other creditors	9,787	7,959
Property loan (see note 9)	46,781	44,872
	£188,252	£86,325

8. Creditors: amounts falling due after more than one year	2012	2011
	£	£
Property loan (see note 9)	£254,890	£301,670

9. Secured creditors

The property loan represents deferred payments in respect of the charity's freehold premises, which was purchased in May 2011, such payments falling due as follows:

	2012	2011
	£	£
Within one year	46,781	44,872
In the second to fifth years inclusive	214,409	201,265
Over five years	40,481	100,405
	£301,671	£346,542

The loan is secured by way of a legal charge on the premises, and represents 30% of the value of the property in the accounts.

ANDREW WOMMACK MINISTRIES - EUROPE

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30TH JUNE 2012

10. Restricted funds	Balance 1st July 2011 £	Movement In resources Incoming £	Outgoing £	Transfer £	Balance 30th June 2012 £
Television fund - God TV	-	21,310	21,310	-	-
Television fund - Lighthouse TV	-	1,100	1,100	-	-
Charis Bible College England Mission fund	45,158	575	18,562	(8,054)	19,117
Charis Bible College Northern Ireland Mission fund	23,253	5,637	8,730	-	20,160
World Outreach fund	11,187	48,920	33,904	-	26,203
Uganda Outreach fund	-	4,094	4,094	-	-
Other donations fund	685	12,945	2,413	-	11,217
Building fund	745,716	247,356	92,397	-	900,675
Scholarship fund	14,724	-	4,105	-	10,619
Translation fund	-	42,225	8,711	-	33,514
USA building fund	-	52,386	52,386	-	-
	<u>£840,723</u>	<u>£436,548</u>	<u>£247,712</u>	<u>£(8,054)</u>	<u>£1,021,505</u>

The Television funds represent monies donated to finance broadcasting on the God Channel and Lighthouse TV respectively.

The Charis Bible College Mission funds represent monies received in support of student mission trips.

The World Outreach fund represents monies earmarked for World Outreach and new projects.

The Uganda Outreach fund represents monies earmarked for Uganda Outreach projects.

The Other donations fund is for gifts earmarked for other purposes overseas including books and other.

The Building fund represents monies raised in support of the purchase and refurbishment of the charity's freehold premises.

The Scholarship fund is for the funding of Bible College scholarships.

The Translation fund represents monies raised in support of translation projects.

The Transfer relates to the correction of restricted balances at 30th June 2011.

ANDREW WOMMACK MINISTRIES - EUROPE

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30TH JUNE 2012

10a. The Unrestricted fund movement is shown on the face of the Statement of Financial Activities.

11. Analysis of assets and liabilities between funds	Unrestricted £	Restricted £	Total £
Fixed assets	186,189	900,675	1,086,864
Stocks	34,592	-	34,592
Debtors	104,972	-	104,972
Cash	279,932	255,962	535,894
Creditors less than one year	(141,471)	(46,781)	(188,252)
Creditors due in more than one year	(166,539)	(88,351)	(254,890)
	£297,675	£1,021,505	£1,319,180

12. Financial commitments

At 30th June 2012 the Charity had annual commitments under operating leases as follows:

	2012		2011	
Expiry date	Land and buildings £	Other £	Land and buildings £	Other £
Within one year	4,375	3,500	-	3,459
One to two years	-	1,240	17,500	-
Two to five years	-	14,841	-	16,081
	£4,375	£19,581	£17,500	£19,540