

Company Registration No. 06569927
Charity Registration No. in England and Wales 1124541
Charity Registration No. in Scotland SC047326

ANDREW WOMMACK MINISTRIES - EUROPE

Financial Statements

Year ended 30 June 2017

ANDREW WOMMACK MINISTRIES - EUROPE

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ANDREW WOMMACK MINISTRIES - EUROPE

COMPANY INFORMATION

COMPANY REGISTRATION NUMBER

06569927

CHARITY REGISTRATION NUMBER

1124541

CHARITY REGISTRATION NUMBER IN SCOTLAND

SC047326

TRUSTEES AND DIRECTORS

A Wommack

J Wommack

J Donnelly

R Ward (Chair)

M Rowe (resigned 1 July 2017)

K Conrad (appointed 2 August 2017)

G Luecke

MANAGING DIRECTOR AND COMPANY SECRETARY

K Gruber

REGISTERED OFFICE

Grace International Centre

Leamore Lane

Walsall

WS2 7PS

AUDITOR

Mazars LLP

45 Church Street

Birmingham

B3 2RT

BANKERS

Barclays Bank plc

The Bridge

Walsall

WS1 1LR

Lloyds Bank plc

121-125 High Street

Bloxwich

Walsall

WS3 3JG

Ulster Bank plc

37 High Street

Carrick Fergus

Co Antrium

BT38 7AN

SOLICITORS

Anthony Collins Solicitors LLP

134 Edmund Street

Birmingham

B3 2ES

REPORT OF THE TRUSTEES

The trustees present their report and accounts for the year ended 30 June 2017.

This report has been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard 102 applicable in the UK and Republic of Ireland.

Structure, governance and management

The company is limited by guarantee and has no share capital. The governing document of the company is the Articles of Association (as amended on 12 July 2016) – Incorporated 18 April 2008 in England and Wales.

The trustees, who are also the directors for the purpose of company law, and who served during the year are listed on page 1.

All new trustees follow an induction programme approved by the board and they, as well as existing board members, have the opportunity to access external training courses, seminars and workshops.

In view of the establishment and expansion of other Andrew Wommack Ministry Offices in Europe, the main focus of the Charity is the region of the United Kingdom and the Republic of Ireland.

A review of remuneration for key management staff is undertaken annually by the Board and set accordingly. As a benchmark for setting salaries we investigate the remuneration in other comparable charities, Christian entities as well as the financial situation of the Charity.

Relationship with other charities

The Charity has a close working relationship with Andrew Wommack Ministries Incorporated in the USA. Andrew Wommack Ministries Incorporated (AWMI) agreed for the Charity to have the right to use names, logos and other intellectual property of AWMI and the right to use this in form of teaching, printing, production and sale of all materials in formats such as books, CD and DVD teachings, study guides, all Charis Bible College teaching materials, as well as the broadcast of television shows through a long-term license agreement.

The activities of the Charity in Hungary in respect of furtherance of the gospel through translation of books and Bible College material into Hungarian language, and starting Charis Bible College correspondence courses for students in Hungary, were transferred to: Charis Alapítvány, 9172 Gyöngyös, dr. Pecs Gyula u. 31, Hungary, and are no longer a part of Andrew Wommack Ministries – Europe

The Charity also supports other charities, outreaches, local evangelism and Bible study groups worldwide.

Public Benefit

The trustees have given due consideration to the general guidance published by the Charity Commission relating to public benefit and in particular to its supplementary public benefit guidance ‘The Advancement of Religion for the Public Benefit’ as amended, and consider that the Public Benefit test has been met.

Objectives and policies

The Charity “Andrew Wommack Ministries – Europe” exists to advance the Christian faith for the benefit of the public and serves the public by providing the 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 written materials in form of books and other formats, audio CD, and DVD; conferences and meetings and a website, along with other internet media.

It is an ongoing objective of Andrew Wommack to give free access to his teachings. Any household may request up to 12 CDs per calendar month, from an extensive catalogue, without any charge. Free downloads from the same catalogue can also be accessed via the website www.awme.net.

The Charity also has two Charis Bible Colleges – in Walsall and Belfast, and a Distance Learning programme where fees are charged. The Charity is pleased to announce the opening of Charis Bible College in Dumfries, Scotland, on 4th September, 2017

Review of development, activities and achievements, including plans for future periods

The Charity continues to grow in its activities to advance the Christian Faith through the faithful partnerships of an increasing number of people helping us to bring the Word of God to the public.

We have, throughout the year, met many requests coming to us for Bible studies, participation in conferences, teachings and materials, and meeting these needs will remain our focus in the future.

ANDREW WOMMACK MINISTRIES - EUROPE

REPORT OF THE TRUSTEES

Our daily Gospel Truth programmes (aired Mondays to Fridays) continue to be broadcast globally on God TV, Daystar, TBN and in the U.K./Europe through Revelation TV, making the work of the ministry potentially accessible to 3.2 billion people worldwide. Since January of this year, our programme is also broadcast on God TV at a 7.30pm prime-time slot, which enables us to reach even more people throughout the region.

The presence on Social Media platforms, maintained by the ministries office in Colorado with strategic input from our staff in the United Kingdom, are of increasing importance to our Charity. During the year our Social Media accounts continued to grow with 457,000 “likes” on Facebook, 36,000 followers on Twitter, and 23,000 subscribers on our YouTube channel, with hundreds of thousands of minutes worth of content to watch. Other Social Media streams such as Pinterest and Instagram maintain a smaller but growing number of followers. Conferences and weekly Bible Studies by Andrew Wommack are being streamed live on Facebook.

Our website, www.awme.net, received on average 17,500 visitors each month, with a total of 204,000 visitors during the year viewing free articles, making downloads of free audio and video files, purchases of products in our updated online shop as well as entering into monthly partnerships and making donations. The online Living Commentary was enhanced and sees sustained growth, with more and more people using this study tool on a daily basis. The website and Social Media are continually evaluated and developed as we seek to increase the free availability of teachings on the gospel of grace through Jesus Christ.

Throughout the region, we seek opportunities to minister the Gospel to those in need. We seek to deepen our relationship with our partners, as well as ministers and churches, in order to share the vision of reaching out to people with the good news of the Gospel.

Our Grace + Faith Conference was once again held at Telford International Centre and all the hosted sessions of the event were well attended. As in previous years, admission was presented free of charge, which was well received by our partners, friends and visitors.

A Ministers' Conference was held in Walsall in October 2016. Through this, the charity seeks to support church leaders, pastors, missionaries and other Christian leaders, by providing a forum for fellowship and networking, as well as offering a time of spiritual refreshment.

Various conferences, held at our Charis Bible College campuses, are open to our students, alumni, and also to members of the public. These include meetings where the Word of God is taught and ministered to people who seek to expand their relationship with God, and increase in their knowledge, understanding and experience in the Christian faith. These conferences receive good interest from students, partners and guests.

Live streaming was made available through our website and Facebook Live for many of the Charity's conferences, increasing the number of people who could benefit from the teaching offered, without incurring travel costs.

For the first time, our Charity participated with stands at a number of Christian events and conferences throughout the country, giving us opportunity to increase public awareness of our Ministry and Bible Colleges.

The Helpline we are operating received 18,510 calls during the year, which averages 75 calls per working day. Nearly half of these calls included requests for prayer, with many people being helped to access the healing power of God for physical, emotional and circumstantial difficulties, and others being encouraged through sharing the Word of God. In addition to prayers over the phone, letters and emails containing prayer requests were received and prayed over, and many more people were helped and encouraged as our Encouragement department responded to individual questions.

Throughout the financial year, the charity supplied 11,350 products free of charge, mainly in form of CDs, but also in DVD and written format. Almost every audio teaching in our catalogue is available to download from our website, making public access free and easy. E-books, books, CD and DVD albums, and many other teaching products are available on our website, both in English and other languages.

Charis Bible College:

Our Charis Bible Colleges in Walsall and Belfast saw a good increase of student attendance during the school year, with 197 students taking part in our courses, compared to 118 in the previous year. Student numbers attending our day/night school increased to 127 students. The main increase, however, is due to the introduction of a newly established Hybrid programme, whereby students study their course modules at home through an online platform, which we have developed specifically for this purpose, and meet on two Saturdays per month for fellowship, live teaching, and discussion groups. We were greatly encouraged by an enrolment of 70 students into this new format and intend to expand this model in the future, enabling many more people to attend our courses who for family, work or other reasons, could not attend our Colleges on a daily basis.

126 students celebrated their successful participation in our courses at the end of the school year in May 2017, with 65 students passing the 1st year course, 32 graduating from the 2nd year course and 29 passing the 3rd year leadership programme. Whilst the emphasis of our 1st year class is to lay foundations for a successful Christian life, and sow seeds for students to discover their gifts and God's calling on their life, our 2nd year programme is more practically oriented and

REPORT OF THE TRUSTEES

designed to prepare students to minister the gospel of Jesus Christ to others. For our 3rd year class, we have developed a specific leadership programme which includes business, leadership and ministry training, preparing our students for leadership positions in churches, business workplaces in general, and Christian enterprises and Missions. Our students performed well in all aspects of the courses offered.

Our distance learning programme consists of a correspondence course, enabling students to study the first year curriculum of Charis Bible College at their own pace from their home. The number of active correspondence students that studied at Charis Bible College during the year was 178; five of whom are studying from inside a prison as part of our support of other prison ministries. 35 students completed the correspondence course during the year. For pastors and ministers, we have designed a special course entitled "Continuing Education for Ministers", giving participants access to a selected range of Charis Bible College courses.

Once a month, the public are invited to our premises in Walsall and Belfast, to take part in a Healing school, where we teach and minister the love of God to people in prayer.

A "Healing Is Here" format has been developed, whereby a team from our Ministry visits churches around the country, instructing and demonstrating God's love and healing power to those attending the events.

A new Charis Bible College website will be launched shortly, to offer a unified design for all UK campuses, with many more online application functions, to increase awareness from students and the public, and give detailed information of our Bible Colleges.

Outlook:

The Board of the Charity intends to open further Charis Bible Colleges in the United Kingdom. In order to support this growth, a special Directors Training Programme has been designed, to train up and develop future leaders of new Charis Bible Colleges.

We are already preparing for our Grace + Faith Conference in May 2018 at Telford International Centre, as well as a Ministers' Conference at our premises in Walsall in October 2017 as a time of spiritual refreshment for church leaders and pastors.

Invitations to preach and teach at churches in our region and beyond are being taken up by various staff members of our Ministry.

We will continue to promote our teaching material and Charis Bible Colleges at other Christian conferences and events.

It is of great interest and importance to the trustees to reach more people with the gospel of Jesus Christ. Therefore, broadcasting the Gospel Truth TV programmes on television will continue, with teachings made freely available through our website. This includes the aforementioned offer that any household may request up to 12 CDs per calendar month, without any charge being made to them.

The trustees' aim is to increase the number of people who know about the charity and its work. To reach this goal we will use different formats, media and technologies available to us. The trustees will consider new initiatives and activities to achieve the objectives of the charity.

The Board of the Charity recognises the importance of a well-trained, motivated staff force with good team spirit to achieve its objectives and therefore undertakes annual staff salary and benefit reviews, and has enrolled its staff in a workplace pension scheme with National Employment Savings Trust. Leadership training, on the job training and suitable seminars from various agencies are being used to enhance the skill set of our employees.

Work continues with the refurbishment of the Grace International Centre. Part of our building has been leased to a day nursery. Our tenant will move out at the end of the lease period, being 31st August, 2017, when we will take possession of the whole building for our purpose, especially with regard to Charis Bible College, which is in need of larger classroom space as well as offices.

Financial review

In this financial year the Charity achieved a surplus of £106,353 to be carried forward into the new financial year. Altogether, total income increased by 3.5% to £2,990,778; £2,410,401 related to general activities and £580,377 to restricted activities. Our emphasis on new partnerships for both restricted and unrestricted funds was well received as we welcomed more than 400 new partners in this financial year to the Charity; we also saw an increase in student numbers in our Charis Bible Colleges.

General Expenses, mainly due to higher wage cost, maintenance and Publication/TV broadcasting cost, increased to an overall Expenditure for the year £2,884,425, which is an increase of 2% compared to the previous year, with £2,369,359 relating to general activities and £515,066 to restricted activities.

The charitable funds at the year-end were £1,502,616 divided into general funds of £208,717, designated funds of £1,027,402 and £266,497 of restricted funds.

REPORT OF THE TRUSTEES

Reserves

In line with the Charity Commission guidelines, the Board of Trustees define the Charity's free reserves as unrestricted assets, excluding those held as fixed assets, which are available to the charity and to be expended at the Trustees' discretion in furtherance of any of the Charity's objectives, but which have not yet been spent, committed or designated.

The Board of Trustees confirm that the free reserves should be held at a minimum of £138,000, representing two months' salary, pension and national insurance cost together with twelve months' payment obligations of long term fixed commitments. At the end of the year free funds of £208,717 were available, which is consistent with the Charity's policy

Risk Management

Business risks of the Charity have been identified and measures to cover these are in place. No new material risks were identified during the year. All policies and procedures are regularly reviewed by the Board.

A major risk to the Charity is maintaining a level of funding for its income to be sufficient to meet all its obligations. To mitigate this risk the Charity has build-up a strong partner base with over 2,900 partners that give to the cause of the Charity in support of its work. Further expansion of Charis Bible Colleges with an increasing number of students will also support incoming funds and on-going cost management with an approval procedure for expenditure items should ensure the liquidity of the Charity to meet all its obligations.

Statement of responsibilities

The trustees, who are also the directors of Andrew Wommack Ministries – Europe for the purpose of company law, are responsible for preparing the Report and the Accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then supply them consistently;
- follow applicable accounting standards, subject to any material departures disclosed and explained in financial statements;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the accounts comply with the Companies Act 2006. 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.

Disclosure of information to the auditor

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

The Report of the Trustees' has been prepared in accordance with the special provisions within Part 15 and section 414B(b) of the Companies Act 2006, relating to small entities.

Approved by the trustees on 23rd October 2017 and signed on their behalf by


Mr Robert Ward
Chair of Trustees

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

Opinion

We have audited the financial statements of Andrew Wommack Ministries – Europe (the ‘company’) for the year ended 30 June 2017 which comprise the Statement of Financial Activities, Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company’s affairs as at 30 June 2017 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the Trustees’ Report, other than the financial statements and our auditor’s report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions 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 Trustees’ Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees’ Report have been prepared in accordance with applicable legal requirements.

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 or the Charities Accounts (Scotland) Regulations 2006 (as amended) 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 specific by law are not made; or
- we have not received all the information and explanations we require for our audit.
- 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' Report and from the requirement to prepare a Strategic Report.

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 5, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK). Those standards require us to comply with the Financial Reporting Council's Ethical Standard. This report is made solely to the 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 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 company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

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

Ian Holder (Senior Statutory Auditor)



For and on behalf of Mazars LLP, Chartered Accountants and Statutory Auditor
45 Church Street
Birmingham
B3 2RT

9 November 2017

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

ANDREW WOMMACK MINISTRIES - EUROPE

STATEMENT OF FINANCIAL ACTIVITIES

	Notes	General funds £	Restricted funds £	Total 2017 £	General funds £	Restricted funds £	Total 2016 £
INCOME FROM							
Donations	3	817,352	527,614	1,344,966	907,205	679,079	1,586,284
Charitable activities:							
Partnership programmes	4	926,473	-	926,473	764,127	-	764,127
Sales	4	136,352	-	136,352	94,529	-	94,529
Charis Bible College fees	4	461,087	52,763	513,850	351,631	44,530	396,161
Other trading activities	5	68,659	-	68,659	48,244	-	48,244
Investments	6	478	-	478	978	-	978
TOTAL INCOME		2,410,401	580,377	2,990,778	2,166,714	723,609	2,890,323
EXPENDITURE ON							
Raising funds		121,859	-	121,859	117,364	-	117,364
Charitable activities							
Sales		73,385	-	73,385	25,674	-	25,674
Charis Bible College expenditure		448,690	44,718	493,408	329,139	52,687	381,826
Relating to evangelism and furtherance of the gospel		1,675,765	470,348	2,146,113	1,624,694	613,112	2,237,806
Other		49,660	-	49,660	65,642	-	65,642
TOTAL EXPENDITURE	7	2,369,359	515,066	2,884,425	2,162,513	665,799	2,828,312
NET INCOME		41,042	65,311	106,353	4,201	57,810	62,011
Transfers between funds	17	-	-	-	-	-	-
NET MOVEMENT IN FUNDS		41,042	65,311	106,353	4,201	57,810	62,011
RECONCILIATION OF FUNDS							
Total funds brought forward		1,195,077	201,186	1,396,263	1,190,876	143,376	1,334,252
TOTAL FUNDS CARRIED FORWARD		1,236,119	266,497	1,502,616	1,195,077	201,186	1,396,263

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities. The notes on pages 10 to 22 form part of these financial statements.

	Notes	£	2017 £	£	2016 £
FIXED ASSETS					
Tangible assets	11		1,027,402		1,020,721
			<u>1,027,402</u>		<u>1,020,721</u>
CURRENT ASSETS					
Stocks	12	50,995		48,985	
Debtors	13	176,689		191,778	
Cash at bank and in hand		689,912		549,870	
		<u>917,596</u>		<u>790,633</u>	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	14	(442,382)		(370,926)	
NET CURRENT ASSETS			<u>475,214</u>		<u>419,707</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,502,616</u>		<u>1,440,428</u>
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	15		-		(44,165)
NET ASSETS			<u><u>1,502,616</u></u>		<u><u>1,396,263</u></u>
FUNDS					
General funds	16		208,717		1,195,077
Designated funds	19		1,027,402		-
Restricted funds	17		266,497		201,186
			<u><u>1,502,616</u></u>		<u><u>1,396,263</u></u>

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

These financial statements were approved and authorised for issue by the Trustees on 23rd October 2017
and signed on their behalf by:


Mr Robert Ward
Chair of Trustees

The notes on pages 10 to 22 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

1 ACCOUNTING POLICIES

Basis of preparation

The financial statements are prepared under the historical cost convention in accordance with "Accounting and Reporting by Charities; the Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard 102 and applicable accounting standards, the Companies Act 2006 and the Financial Reporting Standard 102. The principal accounting policies adopted in the preparation of the financial statements are set out below.

The date of transition to FRS102 was 1st July 2015.

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required and found that no restatement was required.

Going concern

Andrew Wommack Ministries Europe operates as a going concern and the Trustees are of the view that it will continue to do so for the foreseeable future.

Incoming resources

Voluntary income including donations that provide core funding or are of a general nature are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement; or
- The donor provides income to meet the cost of providing particular services which will be incurred in future accounting periods.

Income from commercial trading activities is recognised as earned (as the related goods and services are provided).

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. A liability is recognised as soon as there is a legal or constructive obligation committing the Charity to the expenditure. Expenditure includes any VAT which cannot be fully recovered:

- Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.
- Charitable activities expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources e.g. allocating property costs by areas, or per capita, staff costs by the time spent and other costs by their usage.

Fund accounting

- General funds are unrestricted funds available for the use at the discretion of the Trustees in furtherance of the general objectives of the charity.
- Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

1 ACCOUNTING POLICIES (CONTINUED)

Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold buildings	over 50 years
Computer and other equipment	over 4 years
Fixtures and fittings	over 3 years

Stocks

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on the selling price of the books for resale.

Foreign currency translation

Transactions denominated in foreign currencies are recorded at the rate ruling at the dates of the transactions or at an average rate for the period if the rates do not fluctuate significantly. Monetary assets and liabilities are translated at year end exchange rates or, where appropriate, at rates of exchange fixed under the terms of the relevant transaction. All resulting exchange rate differences are included in the net outgoing resources.

Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

First time adoption of FRS102

The policies applied under the charity's previous accounting framework are not materially different to FRS 102 and have not impacted on funds or income or expenditure.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

2 LEGAL STATUS

The Charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

3 INCOME FROM DONATIONS

	Unrestricted	2017 Restricted	Total	2016 Total
	£	£	£	£
Donations				
World Outreach	-	81,623	81,623	54,051
Rest of the World Translation	-	3,608	3,608	5,853
Hungarian Translation	-	68	68	22,278
Foundation Builder (Building)	-	67,699	67,699	68,111
USA Foundation Builder (Building)	-	243,101	243,101	374,265
God TV	-	18,941	18,941	68,551
Uganda Outreach	-	5,225	5,225	11,716
Uganda Lighthouse TV	-	625	625	-
Karamoja Outreach	-	1,340	1,340	3,496
Grace and Faith Appeal	181,917	57,176	239,093	288,862
Nepal Relief	-	-	-	1,146
Rest Fund	-	5,033	5,033	2,238
Declaration of Dependence Fund	-	770	770	269
US Grace Partnership Fund	-	6,737	6,737	2,206
Sturman Building Project	-	35,668	35,668	-
Charis Bible College donations and offerings	67,043	-	67,043	45,372
Abundance fund	32,098	-	32,098	40,253
General donations	536,294	-	536,294	597,617
Total donations	817,352	527,614	1,344,966	1,586,284

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2017

4 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted £	2017 Restricted £	Total £	2016 Total £
Partnership Programmes				
Partnership: Grace	812,558	-	812,558	662,838
Partnership: LFT	41,663	-	41,663	32,136
Partnership: Other	64,310	-	64,310	62,526
Partnership: College	7,942	-	7,942	6,627
	<u>926,473</u>	<u>-</u>	<u>926,473</u>	<u>764,127</u>
Sales				
Book sales	136,352	-	136,352	94,529
	<u>136,352</u>	<u>-</u>	<u>136,352</u>	<u>94,529</u>
Charis Bible College Fees				
Student fees	374,452	52,763	427,215	299,062
Correspondence course	86,635	-	86,635	97,099
	<u>461,087</u>	<u>52,763</u>	<u>513,850</u>	<u>396,161</u>
Total income	<u>1,523,912</u>	<u>52,763</u>	<u>1,576,675</u>	<u>1,254,817</u>

5 INCOME FROM TRADING ACTIVITIES

	2017 £	2016 £
Royalties received	2,895	1,114
Rent received	31,272	31,276
Café income	19,033	14,442
Other income	15,459	1,412
	<u>68,659</u>	<u>48,244</u>

6 INCOME FROM INVESTMENTS

	2017 £	2016 £
Interest receivable from bank accounts and short term deposits	<u>478</u>	<u>978</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2017

7 TOTAL RESOURCES EXPENDED

	Direct costs £	2017 Support costs £	Total costs £	2016 Total costs £
Costs of generating funds				
Costs of generating voluntary income	121,859	-	121,859	117,364
	<u>121,859</u>	<u>-</u>	<u>121,859</u>	<u>117,364</u>
Charitable activities				
Sales	73,385	-	73,385	25,674
Charis Bible College Costs	461,727	31,681	493,408	381,826
Other Evangelical Expenditure	1,973,982	172,131	2,146,113	2,237,806
Governance costs	49,660	-	49,660	65,642
	<u>2,558,754</u>	<u>203,812</u>	<u>2,762,566</u>	<u>2,710,948</u>
Total resources expended	<u>2,680,613</u>	<u>203,812</u>	<u>2,884,425</u>	<u>2,828,312</u>

	2017 £	2016 £
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Analysed support costs consist of the following:

Administration costs	150,422	127,939
Premises costs	53,390	91,402
	<u>203,812</u>	<u>219,341</u>

	2017 £	2016 £
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Other direct costs include:

Auditor's remuneration:		
- Charity external audit	9,600	9,322
- Other costs	2,678	7,505

Other support costs include:

Depreciation (note 11)	<u>55,670</u>	<u>54,807</u>
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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

8 STAFF COSTS

	2017 £	2016 £
Wages & salaries	733,842	637,732
Social security costs	51,459	41,555
Pension costs	3,803	2,129
	<u>789,104</u>	<u>681,416</u>

No employee earned £60,000 per annum, or more. Unpaid pension contributions as at 30 June 2017 were £nil (2016: £nil)

The average number of employees during the period, expressed as full time equivalents, was as follows:

	2017 Number	2016 Number
Management	10	10
Administration	30	23
	<u>40</u>	<u>33</u>

The average number of full time and part time staff during the year was 31 (2016: 28) and 14 (2016: 12), respectively.

Salary and pension contributions paid to key management personnel were £206,659 and £1,059 respectively (2016 - £120,813 and £497).

No termination and redundancy payments were paid in the year (2016: £17,396) (2016: two employees).

9 TAXATION

The company has no liability to corporation tax for the year ended 30 June 2017.

10 TRUSTEES

One trustee, J Donnelly, received payment of £1,650 (2016 £nil) for other services provided to the charity during the year (2016: £nil).

Total Trustee expenses reimbursed during the year ended 30 June 2017 were £4,908 (2016: £8,568) to five Trustees (2016: five). These relate to travel and hotel accomodation costs for Trustees.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2017

11 TANGIBLE FIXED ASSETS

	Land £	Freehold buildings £	Computer and other equipment £	Fixtures and fittings £	Total £
Cost					
At 1 July 2016	300,000	791,553	148,956	71,342	1,311,851
Additions	-	-	59,859	2,492	62,351
Disposals	-	-	-	-	-
At 30 June 2017	<u>300,000</u>	<u>791,553</u>	<u>208,815</u>	<u>73,834</u>	<u>1,374,202</u>
Depreciation					
At 1 July 2015	-	106,543	129,721	54,866	291,130
Charge for the year	-	15,831	23,721	16,118	55,670
On disposals	-	-	-	-	-
At 30 June 2016	<u>-</u>	<u>122,374</u>	<u>153,442</u>	<u>70,984</u>	<u>346,800</u>
Net book value					
At 30 June 2017	<u>300,000</u>	<u>669,179</u>	<u>55,373</u>	<u>2,850</u>	<u>1,027,402</u>
At 30 June 2016	<u>300,000</u>	<u>685,010</u>	<u>19,235</u>	<u>16,476</u>	<u>1,020,721</u>

12 STOCKS

	2017 £	2016 £
Finished goods	<u>50,995</u>	<u>48,985</u>

13 DEBTORS

	2017 £	2016 £
Trade debtors	3,446	6,260
Other debtors	24,645	103,415
Prepayments	148,598	82,103
	<u>176,689</u>	<u>191,778</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

**14 CREDITORS: AMOUNTS FALLING DUE
WITHIN ONE YEAR**

	2017	2016
	£	£
Trade creditors	169,227	85,765
Other creditors	88,924	142,163
Accruals	148,268	129,648
Other taxes and social security	35,963	13,350
	<u>442,382</u>	<u>370,926</u>

**15 CREDITORS: AMOUNTS FALLING DUE
AFTER MORE THAN ONE YEAR**

	2017	2016
	£	£
Other creditors	<u>-</u>	<u>44,165</u>

Andrew Wommack Ministries – Europe acquired the Grace International Centre building on 26th May 2011 for £1 million. This was partly financed through a £350,000 mortgage with Grace Property Management Limited repayable over a 7 year term at an interest rate of 4% over Barclays base rate. As at 30th June 2017, the liabilities in relation to this mortgage which is included within other creditors falling due within one year being £44,165 (2016: £57,285) and none falling due after more than one year (2016: £44,165).

16 UNRESTRICTED FUNDS

At 30 June 2017 the unrestricted funds of the Charity totalled £208,717 (2016: £1,195,077), all of which relate to general funds.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

17 RESTRICTED FUNDS

The movements on the restricted funds of the charity were as follows:

	Balance at 1 July 2016 £	Incoming resources £	Outgoing resources £	Transfers in year £	Balance at 30 June 2017 £
Charis West Midlands Mission	10,781	39,741	27,734		22,788
Charis London East Mission	574	-	574		-
Charis Belfast Mission	12,210	9,852	11,454		10,608
World Outreach	95,815	81,623	37,708		139,730
Translation Fund	44,185	3,608	42,477		5,316
Hungarian Translation	1,311	68	1,379		-
Founder Builder (Building)	28,079	67,699	10,257		85,521
Charis Bible College Scholarship	3,088	3,170	4,955		1,303
USA Foundation Builder (Building)	3,645	243,101	246,746		-
God TV	-	18,941	18,941		-
Uganda Outreach	222	7,190	7,412		-
Grace and Faith Appeal	-	57,176	57,176		-
Other Restricted Donations	1,231	-	-		1,231
Rest Fund	-	5,033	5,033		-
Declaration of Dependence Fund	-	770	770		-
US Grace Partnership Fund	45	6,737	6,782		-
Sturman Building project Fund	-	35,668	35,668		-
	<u>201,186</u>	<u>580,377</u>	<u>515,066</u>	<u>-</u>	<u>266,497</u>

18 RESTRICTED FUNDS**Name of funds****Mission Funds**

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

World Outreach Fund

The World Outreach fund represent monies earmarked for the World Outreach project which funds Charis extension colleges, including translation projects and conferences.

The Translation Fund

The Book Translation fund represents monies earmarked for general translations.

Hungarian Translation Fund

Donations specifically to be used for Hungarian translations.

Foundation Builder (Building) Fund

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

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

Charis Bible College Scholarship Fund

The Charis Bible College Scholarship fund is for the funding of Bible College Scholarships.

USA Foundation Builder (Building) Fund

The USA Foundation Builder (Building) fund represents monies raised in support of the cost of the expansion of the Charis Bible College Woodland Park, Colorado facility.

God TV Fund

The God TV fund represents monies donated to finance broadcasting on the God Channel.

Uganda Outreach Fund

The Uganda Outreach fund represents monies raised for general outreach in Uganda.

Uganda Lighthouse TV Fund

The Lighthouse TV fund represents monies raised for broadcasting on Lighthouse TV, Uganda.

Karamoja Outreach Fund

The Karamoja Outreach fund represents monies raised for outreach and aid in Karamoja area of Uganda.

Grace and Faith Appeal Fund

An appeal launched to cover basic costings of the Grace and Faith conference.

Rest Fund

The Rest Fund represents monies donated by partners that allows and enables directors of Andrew Wommack Ministries Offices worldwide and missionaries to take time off to recuperate when needed.

Declaration of Dependence Fund

The Declaration of Dependence on God Fund relates to funds received by the ministry to enable support and advertisements in different forms for Christians to exercise their right of belief as put forth in God's Holy Bible.

US Grace Partnership Fund

The US Grace partnership Fund represents donations that are received by the UK office for the general expenses of the US offices.

Expansion Project (Sturman Project)

This fund represents monies donated for the purchase of the Sturman property adjacent to the AWM Sanctuary property in Woodland Park, Colorado.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

19 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General funds £	Designated funds £	Restricted funds £	Total funds £
Fund balances at 30 June 2017 are represented by:				
Tangible fixed assets	-	1,027,402	-	1,027,402
Current assets	543,278	-	374,318	917,596
Creditors: amounts falling due within one year	(334,561)	-	(107,821)	(442,382)
Creditors: amounts falling due after more than one year	-	-	-	-
Total net assets at 30 June 2017	208,717	1,027,402	266,497	1,485,993

20 RELATED PARTY TRANSACTIONS

Name of related party

Andrew Wommack Ministries Incorporated

Nature of relationship

2 directors of Andrew Wommack Ministries – Europe are also directors of Andrew Wommack Ministries Incorporated, to include Andrew Wommack and Jamie Wommack.

Transactions and balances

During the year, Andrew Wommack Ministries – Europe transferred funds to Andrew Wommack Ministries Incorporated of £318,069 (2016: £409,935) and made sales to them totalling £4 (2016: £nil). The transfer of funds arises as a result of donations and grants initially received by Andrew Wommack Ministries – Europe but which relate to specific charitable funds managed within Andrew Wommack Ministries Incorporated. As at 30th June 2017, £341 (2016: £15,516) was due to Andrew Wommack Ministries Incorporated.

Name of related party

Andrew Wommack Ministries South Africa

Nature of relationship

3 directors of Andrew Wommack Ministries – Europe are also directors of Andrew Wommack Ministries South Africa, to include Jamie Wommack, Mark Rowe and Gary Luecke.

Transactions and balances

During the year, Andrew Wommack Ministries – Europe generated incoming resources of £25,021 (2016: £75,893) from Andrew Wommack Ministries South Africa. These transactions mainly relate to contributions towards the God TV expenditure. As at 30th June 2017 and 30th June 2016, no balances were due to or from Andrew Wommack Ministries South Africa.

Name of related party

Andrew Wommack Ministries Germany

Nature of relationship

4 directors of Andrew Wommack Ministries – Europe are also directors of Andrew Wommack Ministries Germany, to include Jamie Wommack, Klaus-Dieter Gruber, Mark Rowe and Gary Luecke.

Transactions and balances

During the year, Andrew Wommack Ministries – Europe made purchases of books totalling £98 (2016: £96) from Andrew Wommack Ministries Germany and made sales of books, CD's and study guides to Andrew Wommack Ministries Germany of £954 (2016: £1,213). As at 30th June 2017 and 30th June 2016, no balances were due to or from Andrew Wommack Ministries Germany.

ANDREW WOMMACK MINISTRIES - EUROPE

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

Name of related party

Andrew Wommack Ministries Uganda

Nature of relationship

2 directors of Andrew Wommack Ministries – Europe are also directors of Andrew Wommack Ministries Uganda, to include Mark Rowe and Gary Luecke.

Transactions and balances

During the year, Andrew Wommack Ministries – Europe passed on a donation received from Andrew Wommack Ministries South Africa totalling £nil (2016: £8,228) to Andrew Wommack Ministries Uganda. As at 30th June 2017 and 30th June 2016, no balances were due to or from Andrew Wommack Ministries Uganda.

Name of related party

Andrew Wommack Ministries Canada

Nature of relationship

3 directors of Andrew Wommack Ministries – Europe are also directors of Andrew Wommack Ministries Canada, to include Jamie Wommack, Mark Rowe and Gary Luecke.

Transactions and balances

During the year, Andrew Wommack Ministries – Europe made sales totalling £Nil (2016: £54) to Andrew Wommack Ministries Canada. As at 30th June 2017 and 30th June 2016, no balances were due to or from Andrew Wommack Ministries Canada.

Name of related party

Andrew Wommack Ministries Australia

Nature of relationship

3 directors of Andrew Wommack Ministries – Europe are also directors of Andrew Wommack Ministries Australia, to include Jamie Wommack, Mark Rowe and Gary Luecke.

Transactions and balances

During the year, Andrew Wommack Ministries – Europe made sales totalling £Nil (2016: £29) to Andrew Wommack Ministries Australia. As at 30th June 2017 and 30th June 2016, no balances were due to or from Andrew Wommack Ministries Australia.

Name of related party

Andrew Wommack Ministries Netherlands

Nature of relationship

2 directors of Andrew Wommack Ministries – Europe are also directors of Andrew Wommack Ministries Netherlands, to include Mark Rowe and Gary Luecke.

Transactions and balances

During the year, Andrew Wommack Ministries – Europe made purchases of £71 (2016: £Nil). As at 30th June 2017 and 30th June 2016, no balances were due to or from Andrew Wommack Ministries Netherlands.

Name of related party

Andrew Wommack Ministries Russia

Nature of relationship

No directors of Andrew Wommack Ministries – Europe are also directors of Andrew Wommack Ministries Russia.

Transactions and balances

During the year, Andrew Wommack Ministries – Europe made purchases of £670 (2016: £Nil). As at 30th June 2017 and 30th June 2016, no balances were due to or from Andrew Wommack Ministries Russia.

Name of related party

Andrew Wommack Ministries Zimbabwe

Nature of relationship

2 directors of Andrew Wommack Ministries – Europe are also directors of Andrew Wommack Ministries Zimbabwe, to include Mark Rowe and Gary Luecke.

Transactions and balances

During the year, Andrew Wommack Ministries – Europe generated incoming resources of £131 (2016: £Nil) from Andrew Wommack Ministries Zimbabwe. As at 30th June 2017 and 30th June 2016, no balances were due to or from Andrew Wommack Ministries Zimbabwe.

ANDREW WOMMACK MINISTRIES - EUROPE

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

Name of related party

The Branch Christian Books

Nature of relationship

Robert Ward, a director of Andrew Wommack Ministries – Europe is a trustee and chairman of The Branch Christian Books.

Transactions and balances

During the year, Andrew Wommack Ministries – Europe sold books to The Branch Christian Books of £1,840 (2016: £772) and made purchases from The Branch Christian Books of £Nil (2016: £9). As at 30th June 2017 and 30th June 2016, no balances were due to or from The Branch Christian Books.

Name of related party

Charis Bible College Dewsbury

Nature of relationship

Robert Ward, a director of Andrew Wommack Ministries – Europe is a trustee of Charis Bible College Dewsbury.

Transactions and balances

During the year, Andrew Wommack Ministries – Europe sold books to Charis Bible College Dewsbury totalling £Nil (2016: £Nil). As at 30th June 2017 and 30th June 2016, no balances were due to or from The Branch Christian Books.