

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 2018

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 (Chair)
R Ward (Chair) (deceased 17 January 2018)
K Conrad
G Luecke (resigned 29 July 2018)
W Epperhart (appointed 20 August 2018)

MANAGING DIRECTOR AND COMPANY SECRETARY

K Gruber (until 30th September 2018)
D Burns (from 1st October 2018)

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

Ulster Bank plc
37 High Street
Carrick Fergus
Co Antrim
BT38 7AN

Lloyds Bank plc
121-125 High Street
Bloxwich
Walsall
WS3 3JG

Bank of Scotland
27 Marchfield Avenue
Dumfries
Dumfriesshire
DG1 1GQ

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 2018.

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 primary focus of the Charity is the region of the United Kingdom.

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, through a long-term license agreement.

The Charity also supports other charities, outreaches, local evangelism and Bible study groups in the United Kingdom and 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: 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 and television programmes on Christian broadcasting channels through AWMI.

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 three Charis Bible Colleges – in Walsall, Belfast, and Dumfries, and a Distance Learning programme where fees are charged. The Charity is pleased to announce the opening of a further Charis Bible College in Exeter, Devon, on 1 September, 2018.

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 Prayer, Bible studies, participation in conferences, teachings and materials, and meeting these needs will remain our focus in the future.

Andrew Wommack’s daily Gospel Truth programmes (aired Mondays to Fridays) continue to be broadcast by AWMI globally on God TV, Daystar, TBN and in the U.K./Europe among others through Revelation TV, making the work of the ministry potentially accessible to 3.2 billion people worldwide.

REPORT OF THE TRUSTEES

The presence on Social Media platforms, maintained by the ministry's office in Colorado, are of increasing importance to our Charity. During the year our Social Media accounts continued to grow with 1,200,000 "likes" on Facebook, 42,000 followers on Twitter, and 46,000 subscribers on our YouTube channel, with numerous hours of valuable 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 and YouTube.

Our website, www.awme.net received on average 8,500 visitors each month, viewing free articles and Charis Bible College programmes to study, making downloads of free audio and video files, purchases of products in our improved online shop as well as entering into 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 2017. 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.

Conferences, held at our Charis Bible College campuses, are open to our students, alumni, and also to members of the public and received good interest. These are 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. With a "Business Summit" and "Women Arise", new types of conference themes were added this year.

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 by watching online.

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 16,261 calls during the year, which averages 66 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 12,745 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 for download from our website, making public access free and easy. E-books, books, study guides, 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, Belfast and Dumfries saw a good increase of student attendance during the school year, with 214 students taking part in our courses, compared to 197 in the previous year. Students attended our day school and night school programmes, as well as our Hybrid programme, where 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 increasing number of students enrolling in our courses and their commitment to studying the word of God.

190 students celebrated their successful completion of our courses at the end of the school year in May 2018, with 112 students passing the first year course, 64 graduating from the second year course and 14 passing the third year leadership programme. Whilst the emphasis of our first 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 second year programme is more practically oriented and designed to prepare students to minister the gospel of Jesus Christ to others. For our third year class, we have developed a specific leadership programme which includes leadership and ministry training, as well as business and finance aspects of ministry, 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. Since May of this year, we are offering these life impacting video teachings also on a tablet through an APP called: eCharis. 155 active correspondence students studied with Charis

REPORT OF THE TRUSTEES

Bible College distance learning during the year, with 28 students completing the course in 2018. For pastors and ministers, AWMi has designed a special course entitled "Continuing Education for Ministers", giving participants an online 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 word and prayer.

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

Charis Bible College launched a new website this year, offering a unified design for all UK campuses, with more online application functions, to increase awareness from students and the public, and give detailed information of our Bible Colleges and the courses we offer.

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 and Internship 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 2019 at Telford International Centre, as well as a Ministers' Conference at our premises in Walsall in October 2018 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 growing interest and importance to the trustees to reach more people with the gospel of Jesus Christ. Therefore, our ministry offering through conferences, availability of teachings programmes on TV and Radio as well as social media will continue. Access for the public to teachings on the Word of God are made freely available through our website.

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 charity has launched a legacy programme in August of this year as part of its funding activities, giving partners and friends of the ministry the opportunity to provide a long-lasting legacy in supporting the charity's endeavour to advance the Christian Faith and reach more people to know and receive the life transforming good news of the gospel of Jesus Christ.

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 office space and Charis Bible College classrooms at the Grace International Centre in Walsall. The classroom used for our second year students has been expanded and a new classroom for third year students will be in use from the new school year onward, greatly improving the environment for our students to pursue their studies and development.

Fundraising

The Charity is registered with the Fundraising Regulator, aware of its regulations and complies.

Financial review

In this financial year the Charity achieved a surplus of £24,553 to be carried forward into the new financial year. Total income increased by 4.1% to £3,113,468; £2,498,295 related to general activities and £615,173 to restricted activities. We saw a welcomed increase in partnerships while donations reduced slightly below last year. The charity received a good response from its partners towards the UK Building fund for the refurbishment of our premises in Walsall. Student numbers in our Charis Bible Colleges continued to grow.

General Expenses, mainly due to rising staff cost, general cost and maintenance cost to cover our expanded ministry outreach, increased to an overall Expenditure for the year of £3,088,915, which is an increase of 7.1% compared to the previous year, with £2,572,342 relating to general activities and £516,573 to restricted activities.

The charitable funds at the year-end were £1,527,169 divided into general funds of £152,735, designated funds of £1,022,479 and £351,955 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 £144,000, 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 £152,735 were available, which is consistent with the amount set as per 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 have been 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 3,200 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.

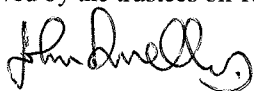
The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity 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 15 October 2018 and signed on their behalf by



Mr John Donnelly
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 2018 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 2018 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 Trustees Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

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.

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

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

-
- 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

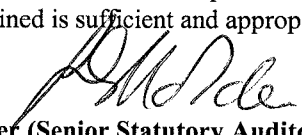
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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.

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.


Ian Holder (Senior Statutory Auditor)

27th November 2018

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

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

FOR THE YEAR ENDED 30 JUNE 2018

	Notes	General funds £	Restricted funds £	Total 2018 £	General funds £	Restricted funds £	Total 2017 £
INCOME FROM							
Donations	3	791,421	538,344	1,329,765	817,352	527,614	1,344,966
Charitable activities:							
Partnership programmes	4	969,365	-	969,365	926,473	-	926,473
Sales	4	171,939	-	171,939	136,352	-	136,352
Charis Bible College fees	4	485,104	76,829	561,933	461,087	52,763	513,850
Other trading activities	5	80,167	-	80,167	68,659	-	68,659
Investments	6	299	-	299	478	-	478
TOTAL INCOME		2,498,295	615,173	3,113,468	2,410,401	580,377	2,990,778
EXPENDITURE ON							
Raising funds		127,421	-	127,421	121,859	-	121,859
Charitable activities							
Sales		78,982	-	78,982	73,385	-	73,385
Charis Bible College expenditure		612,277	62,655	674,932	448,690	44,718	493,408
Relating to evangelism and furtherance of the gospel		1,705,452	453,918	2,159,370	1,675,765	470,348	2,146,113
Other		48,210	-	48,210	49,660	-	49,660
TOTAL EXPENDITURE	7	2,572,342	516,573	3,088,915	2,369,359	515,066	2,884,425
NET INCOME		(74,047)	98,600	24,553	41,042	65,311	106,353
Transfers between funds	16	13,142	(13,142)	-	-	-	-
NET MOVEMENT IN FUNDS		(60,905)	85,458	24,553	41,042	65,311	106,353
RECONCILIATION OF FUNDS							
Total funds brought forward		1,236,119	266,497	1,502,616	1,195,077	201,186	1,396,263
TOTAL FUNDS CARRIED FORWARD		1,175,214	351,955	1,527,169	1,236,119	266,497	1,502,616

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 11 to 22 form part of these financial statements.

	Notes	£	2018 £	£	2017 £
FIXED ASSETS					
Tangible assets	11		1,022,479		1,027,402
			<u>1,022,479</u>		<u>1,027,402</u>
CURRENT ASSETS					
Stocks	12	66,415		50,995	
Debtors	13	145,714		176,689	
Cash at bank and in hand		512,776		689,912	
		<u>724,905</u>		<u>917,596</u>	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	14	(220,215)		(442,382)	
NET CURRENT ASSETS			<u>504,690</u>		<u>475,214</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,527,169		1,502,616
NET ASSETS			<u><u>1,527,169</u></u>		<u><u>1,502,616</u></u>
FUNDS					
General funds	15		152,735		208,717
Designated funds	15		1,022,479		1,027,402
Restricted funds	16		351,955		266,497
			<u>1,527,169</u>		<u>1,502,616</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 15th October 2018 and signed on their behalf by:



Mr John Donnelly
Chair of Trustees

The notes on pages 11 to 22 form part of these financial statements.

		2018	2017
	Note	£	£
Cash flows from operating activities			
Net cash used in operating activities	20	(135,612)	202,393
Cash flows from investing activities:			
Purchase of tangible fixed assets		(41,524)	(62,351)
Net cash provided by investing activities		(41,524)	(62,351)
Change in cash and cash equivalents in the year		(177,136)	140,042
Cash and cash equivalents brought forward		689,912	549,870
Cash and cash equivalents carried forward		512,776	689,912

The notes on pages 11 to 22 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018

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.

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.

Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements in conformity with generally accepted accounting principles requires the Directors to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenditure during the reporting period. Actual results in the future could differ from those estimates. In this regard, the Directors believe that there are no critical accounting policies where judgements or estimations are necessarily applied in the financial statements.

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 2018

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
Refurbishment	over 10 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.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018

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	2018 Restricted	Total	2017 Total
	£	£	£	£
Donations				
World Outreach	-	58,966	58,966	81,623
Rest of the World Translation	-	9,716	9,716	3,608
Hungarian Translation	-	-	-	68
UK Building Fund (Building)	-	193,158	193,158	67,699
USA Foundation Builder (Building)	-	150,797	150,797	243,101
God TV	-	9,662	9,662	18,941
Uganda Outreach	-	10,844	10,844	5,225
Uganda Lighthouse TV	-	-	-	625
Karamoja Outreach	-	-	-	1,340
Grace and Faith Appeal	178,491	56,963	235,454	239,093
Rest Fund	-	6,702	6,702	5,033
Declaration of Dependence Fund	-	30	30	770
US Grace Partnership Fund	-	14,294	14,294	6,737
Sturman Building Project	-	27,212	27,212	35,668
Charis Bible College donations and offerings	106,781	-	106,781	67,043
Abundance fund	29,247	-	29,247	32,098
General donations	476,902	-	476,902	536,294
Total donations	791,421	538,344	1,329,765	1,344,966

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2018

4 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted £	2018 Restricted £	Total £	2017 Total £
Partnership Programmes				
Partnership: Grace	849,166	-	849,166	812,558
Partnership: LFT	44,169	-	44,169	41,663
Partnership: Other	62,571	-	62,571	64,310
Partnership: College	13,459	-	13,459	7,942
	<u>969,365</u>	<u>-</u>	<u>969,365</u>	<u>926,473</u>
Sales				
Book sales and other ministry products	171,939	-	171,939	136,352
	<u>171,939</u>	<u>-</u>	<u>171,939</u>	<u>136,352</u>
Charis Bible College Fees				
Student fees	372,410	76,829	449,239	427,215
Correspondence course	112,694	-	112,694	86,635
	<u>485,104</u>	<u>76,829</u>	<u>561,933</u>	<u>513,850</u>
Total income	<u>1,626,408</u>	<u>76,829</u>	<u>1,703,237</u>	<u>1,576,675</u>

5 INCOME FROM TRADING ACTIVITIES

	2018 £	2017 £
Royalties received	1,366	2,895
Rent received	5,212	31,272
Café income	18,260	19,033
Other income	55,329	15,459
	<u>80,167</u>	<u>68,659</u>

6 INCOME FROM INVESTMENTS

	2018 £	2017 £
Interest receivable from bank accounts and short term deposits	<u>299</u>	<u>478</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018

7 TOTAL RESOURCES EXPENDED

	Direct costs £	2018 Support costs £	Total costs £	2017 Total costs £
Costs of generating funds				
Costs of generating voluntary income	127,421	-	127,421	121,859
	<u>127,421</u>	<u>-</u>	<u>127,421</u>	<u>121,859</u>
Charitable activities				
Sales	78,982	-	78,982	73,385
Charis Bible College Costs	646,774	28,158	674,932	493,408
Other Evangelical Expenditure	2,045,681	113,689	2,159,370	2,146,113
Governance costs	48,210	-	48,210	49,660
	<u>2,819,647</u>	<u>141,847</u>	<u>2,961,494</u>	<u>2,762,566</u>
Total resources expended	<u><u>2,947,068</u></u>	<u><u>141,847</u></u>	<u><u>3,088,915</u></u>	<u><u>2,884,425</u></u>

	2018 £	2017 £
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Analysed support costs consist of the following:

Administration costs	61,473	150,422
Premises costs	80,374	53,390
	<u>141,847</u>	<u>203,812</u>

	2017 £	2016 £
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Other direct costs include:

Auditor's remuneration:

- Charity external audit	8,938	9,600
- Other costs	4,373	2,678

Other support costs include:

Depreciation (note 11)	<u>46,447</u>	<u>55,670</u>
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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018

8 STAFF COSTS

	2018	2017
	£	£
Wages & salaries	773,160	733,842
Social security costs	61,423	51,459
Pension costs	6,116	3,803
	<u>840,699</u>	<u>789,104</u>

No employee earned £60,000 per annum, or more. Unpaid pension contributions as at 30 June 2018 were £nil. (2017: £nil)

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

	2018	2017
	Number	Number
Management	9	10
Administration	33	30
	<u>42</u>	<u>40</u>

The average number of full time and part time staff during the year was 34 (2017: 31) and 14 (2017: 14), respectively.

Salary and pension contributions paid to key management personnel were £231,825 and £1,948 respectively (2017 - £206,659 and £1,059).

No termination and redundancy payments were paid in the year (2017: £nil) (2017: no employees).

9 TAXATION

The company has no liability to corporation tax for the year ended 30 June 2018.

10 TRUSTEES

One trustee, J Donnelly, received payment of £1,485 (2017 £1,650) for other services provided to the charity during the year.

Total Trustee expenses reimbursed during the year ended 30 June 2018 were £2,791 (2017: £4,908) to four Trustees (2017: five). These relate to travel and hotel accommodation costs for Trustees.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018

11 TANGIBLE FIXED ASSETS

	Land £	Freehold buildings £	Computer and other equipment £	Fixtures and fittings £	Total £
Cost					
At 1 July 2017	300,000	791,553	208,815	73,834	1,374,202
Additions	-	-	24,307	17,218	41,524
Disposals	-	-	-	-	-
At 30 June 2018	<u>300,000</u>	<u>791,553</u>	<u>233,122</u>	<u>91,052</u>	<u>1,415,727</u>
Depreciation					
At 1 July 2017	-	122,374	153,442	70,984	346,800
Charge for the year	-	15,831	26,672	3,944	46,447
On disposals	-	-	-	-	-
At 30 June 2018	<u>-</u>	<u>138,205</u>	<u>180,114</u>	<u>74,928</u>	<u>393,247</u>
Net book value					
At 30 June 2018	<u>300,000</u>	<u>653,348</u>	<u>53,008</u>	<u>16,124</u>	<u>1,022,479</u>
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>

12 STOCKS

	2018 £	2017 £
Finished goods	<u>66,415</u>	<u>50,995</u>

13 DEBTORS

	2018 £	2017 £
Trade debtors	15,380	3,446
Other debtors	28,034	24,645
Prepayments	102,300	148,598
	<u>145,714</u>	<u>176,689</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018

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

	2018 £	2017 £
Trade creditors	64,215	169,227
Other creditors	11,466	85,796
Accruals	115,248	148,268
Other taxes and social security	16,847	35,963
Deferred income	12,439	3,128
	<u>220,215</u>	<u>442,382</u>

15 UNRESTRICTED FUNDS

At 30 June 2018 the unrestricted funds of the Charity totalled £1,175,214, (2017 £1,236,119) of which £1,102,479 is held as fixed assets (£1,027,402), leaving free reserves of £152,735 (2017: £208,717).

16 RESTRICTED FUNDS

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

	Balance at 1 July 2017 £	Incoming resources £	Outgoing resources £	Transfers in year £	Balance at 30 June 2018 £
Charis Bible College Scholarship	1,303	2,675	(2,641)		1,337
Charis Dumfries Mission	-	914	-	-	914
Charis Walsall Mission	22,788	61,002	(48,323)	-	35,467
Charis Belfast Mission	10,608	12,238	(11,691)	-	11,155
World Outreach	139,730	58,966	(115,235)	-	83,461
Translation Fund	5,316	9,716	(8,603)	-	6,429
UK Building Fund (Building)	85,521	193,158	(53,576)	(13,142)	211,961
USA Foundation Builder (Building)	-	150,797	(150,797)		-
God TV	-	9,662	(9,662)		-
Uganda Outreach	-	10,844	(10,844)		-
Grace and Faith Appeal	-	56,963	(56,963)		-
Other Restricted Donations	1,231	-	-		1,231
Rest Fund	-	6,702	(6,702)		-
Declaration of Dependence Fund	-	30	(30)		-
US Grace Partnership Fund	-	14,294	(14,294)		-
Sturman Building project Fund	-	27,212	(27,212)		-
	<u>266,497</u>	<u>615,173</u>	<u>(516,573)</u>	<u>(13,142)</u>	<u>351,955</u>

The transfer of £13,142 represents the amount spent on refurbishments that have been capitalised and so no longer available to spend. The amount has been transferred to the designated Fixed Asset fund.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018

16 **RESTRICTED FUNDS (continued)**

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.

UK Building Fund (Building)

UK Building Fund (Building) represents monies raised in support of the purchase and refurbishment of the charity's freehold premises.

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.

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 2018

17 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General funds £	Designated funds £	Restricted funds £	Total funds £
Fund balances at 30 June 2018 are represented by:				
Tangible fixed assets	-	1,022,479		1,022,479
Current assets	336,459	-	388,446	724,905
Creditors: amounts falling due within one year	(183,724)	-	(36,491)	(220,215)
Creditors: amounts falling due after more than one year	-	-	-	-
Total net assets at 30 June 2018	152,735	1,022,479	351,955	1,527,169

18 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 £230,031 (2017: £318,069) and made sales to them totalling £28,118 (2017: £4). 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 2018, £15,794 (2017: £341) was due to Andrew Wommack Ministries Incorporated.

Name of related party

Andrew Wommack Ministries South Africa

Nature of relationship

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

Transactions and balances

During the year, Andrew Wommack Ministries – Europe generated incoming resources of £18,301 (2017: £25,021) from Andrew Wommack Ministries South Africa. These transactions mainly relate to contributions towards the God TV expenditure. As at 30th June 2018 £230 was due from Andrew Wommack Ministries South Africa. (2017, nil).

Name of related party

Andrew Wommack Ministries Germany

Nature of relationship

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

Transactions and balances

During the year, Andrew Wommack Ministries – Europe made purchases of books totalling £72 (2017: £98) from Andrew Wommack Ministries Germany and made sales of books, CD's and study guides to Andrew Wommack Ministries Germany of £5,433 (2017: £954). As at 30th June 2018 £276 was due from Andrew Wommack Ministries Germany. (2017 nil).

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018

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 W Epperrhart and Gary Luecke.

Transactions and balances

There were no transactions during the year. As at 30th June 2018 and 30th June 2017, no balances were due to or from Andrew Wommack Ministries Uganda.

Name of related party

Andrew Wommack Ministries Canada

Nature of relationship

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

Transactions and balances

During the year, Andrew Wommack Ministries – Europe made sales totalling £160 (2017: £Nil) to Andrew Wommack Ministries Canada. As at 30th June 2018 and 30th June 2017, no balances were due to or from Andrew Wommack Ministries Canada.

Name of related party

Andrew Wommack Ministries Australia

Nature of relationship

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

Transactions and balances

During the year, Andrew Wommack Ministries – Europe made sales totalling £1,701 (2017: £Nil) and purchases of £14,800 (2017 nil) to Andrew Wommack Ministries Australia. As at 30th June 2018 £354 was due from Andrew Wommack Ministries Australia (2017 nil).

Name of related party

Andrew Wommack Ministries Netherlands

Nature of relationship

1 director of Andrew Wommack Ministries – Europe is also a director of Andrew Wommack Ministries Netherlands, Gary Luecke.

Transactions and balances

During the year, Andrew Wommack Ministries – Europe made sales of £3,973 (2017 nil) and purchases of £nil (2017: £71). As at 30th June 2018 £3,899 was due from Andrew Wommack Ministries Netherlands (2017 nil).

Name of related party

Andrew Wommack Ministries Zimbabwe

Nature of relationship

1 director of Andrew Wommack Ministries – Europe is also a director of Andrew Wommack Ministries Zimbabwe, Gary Luecke.

Transactions and balances

During the year, Andrew Wommack Ministries – Europe there were no transactions. As at 30th June 2018 and 30th June 2017, no balances were due to or from Andrew Wommack Ministries Zimbabwe.

Name of related party

The Branch Christian Books

Nature of relationship

Robert Ward, was a director of Andrew Wommack Ministries – Europe and was 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 £nil (2017: £1,840). As at 30th June 2018 and 30th June 2017, no balances were due to or from The Branch Christian Books.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018

19 Financial Commitments

The charity had the following operating lease commitments based on minimum lease payments:

Land and Buildings

	2018 £	2017 £
Within one year	25,000	-
Within two to five years	4,166	-
In over five years	-	-
	<u>29,166</u>	<u>-</u>

20 Reconciliation of net movement in funds to net cashflow from operating activities

	2018 £	2017 £
Net income / (expenditure) for the year (as per Statement of Financial Activities)	24,553	106,353
Adjustment for:		
Depreciation	46,447	55,670
(Increase) / decrease in stocks	(15,420)	(2,010)
(Increase) / decrease in debtors	30,975	15,089
Increase / (decrease) in creditors	(222,167)	27,291
Net cash used in operating activities	<u>(135,612)</u>	<u>202,393</u>