

Universities & Colleges Christian Fellowship

Company limited by guarantee and not having share capital
Company Registration No. 387932

Registered Charity No. 306137 in England and Wales
Scottish Charity Registration No. SC038499

Report and Financial Statements for the year ended 30th April 2017



Universities and Colleges
Christian Fellowship (UCCF)

Blue Boar House
5 Blue Boar Street
Oxford OX1 4EE

T: 01865 253678
E: info@uccf.org.uk
W: www.uccf.org.uk

uccf:thechristianunions
making disciples of Jesus Christ in the student world

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PROFESSIONAL ADVISERS

Main bankers

HSBC Bank plc
The Clock Tower
2-6 Gallowtree Gate
Leicester
LE1 1DA

Solicitors

Anthony Collins Solicitors
St Philips Gate
5 Waterloo Street
Birmingham
B2 5PG

Auditors

Mazars LLP
45 Church Street
Birmingham
B3 2RT

REPORT OF THE UCCF TRUST BOARD (Incorporating the Trustees' Report)

For the year ended 30th April 2017

The Trustees of the Universities and Colleges Christian Fellowship ("The Fellowship") present their Annual Report and the Financial Statements for the year ended 30th April 2017.

CONSTITUTION

The Fellowship is a registered charity (No. 306137) which is a federation of evangelical Christian Unions governed by a constitution dated January 1999 and subsequently revised in 2003.

OBJECTIVES & PRINCIPAL ACTIVITIES

The policies of The Fellowship remain those contained in its constitution. In summary this is to bear witness to Jesus Christ as Saviour, Lord and God in the student world of England, Scotland and Wales in accordance with the doctrinal basis of The Fellowship. The Fellowship is committed to evangelism, world mission, Biblical truth and spiritual growth.

The principal activities are:

- To co-ordinate the work and to unite the members of the Christian Unions ("CUs") in their witness to the Christian faith in accordance with the doctrinal basis of The Fellowship.
- To advise or assist Christian Unions in the work and to help create Christian Unions where they do not yet exist.
- To produce and circulate literature and materials designed to advance the Christian faith.
- To help CU members to apply Christian faith intelligently to their thinking and behaviour in all areas of life including their academic.
- To stimulate amongst students and former students an interest and active participation in home and overseas missions and in the work of the churches.

Public Benefit

The Trustees are mindful of the charity commissioners' guidance on "Charities and Public Benefit" and have embraced it. As stated above, UCCF's overall objective is to help students bear witness to Christ and his teaching. This includes equipping them to demonstrate the love of God in practical ways. This report seeks to give examples of that public benefit in action.

Achievements & Performance

Key achievements during the year, directly relevant to the pursuance of these activities, have included:

- 1,018 CU leaders at our national CU leaders' training conference, Forum
- 12,500 students at CU freshers' week events
- 36,800 students at CU carol services
- 50,000 students at CU mission weeks
- 97 CUs involved in mission weeks
- 40 Student Union nominations and awards for CUs, plus 4 NSA nominations and awards
- 120,000 visits per month to bethinking.org

Plans for future periods

Over the next three years, UCCF proposes to expand a number of its areas of work:

1. The Leadership Network will add new networks and produce cutting-edge resources in those key academic disciplines covered by the Leadership Network.
2. A nationwide Uncover Mark gospel project impacting every university in Great Britain.
3. Developing new approaches and creative programmes that will more effectively equip CUs to connect with Generation Z.
4. To increase the staffing to help some of the smaller CUs to become more established and effective in reaching out to the wider university body.

5. To update our websites and software systems/functions to enable the core ministry to be more effectively supported.

Additionally, the Fellowship will continue the ongoing ministry of building both UK and international outreach, expanding strategic partnerships, and providing support structures that are relevant to the constantly changing context of universities in Great Britain.

The findings of a recent audit of ministry continue to inform our ministry, including identifying growth areas, measurable outcomes, and priorities for new staff recruitment. The staff team will continue to appraise how to raise support, both financial and relational, to successfully deliver these goals.

FINANCIAL REVIEW

The result for the year was a net increase in funds of £285,918.

A large part of this increase was due to an unrealised gain on UCCF's new investment which was favourably affected by extremely volatile markets and the fall in the pound during the year. The Investment was made a year ago, using monies from an exceptional legacy that was gifted to UCCF in 2015/16. (As such this gain, does not represent a genuine increase in cash for our present and short-term student ministry.)

Despite the fall in income from last year, through tight budget management around core costs we have been able to increase our expenditure on staffing in order to continue expanding our support for Christian Unions in some of the smaller universities and colleges and also to grow our Leadership Network programme.

Unrestricted funds:

Net incoming resources of £309,704 (2016 corresponding net incoming resources of £726,945).

Restricted funds:

Net outgoing resources of (£23,786) (2016 corresponding net outgoing resources of (£2,012,479)).

The Fellowship is extremely grateful to all the individuals, churches and trusts who have made donations towards the work. We are very grateful for the commitment of our many supporters demonstrated by this growth.

PRINCIPAL RISKS & UNCERTAINTIES

Risk Management

The Trustees have sought to identify the major risks to which The Fellowship is exposed and have established controls and actions to minimise potential adverse outcomes. These risks and mitigating actions are set out in a comprehensive and detailed risk register.

The strategic and operational risks are identified for each area, together with an explanation of how they are being or will be, managed. The register is reviewed formally by the Trustees on an annual basis but is kept up to date with regular input from the Executive team to identify emerging or escalating risks. Risks are scored against probability and impact criteria with mitigating controls, monitoring processes and action plans considered for all risk areas.

The Trustees also review on a regular basis the major financial risks that The Fellowship faces. By maintaining free reserves at the target levels, and regularly reviewing the controls over key financial systems, The Fellowship will ensure that it has sufficient resources in the event of adverse conditions.

Principal Risks

The principal risks are those which could affect our financial position, our fundraising capabilities or our IT systems and include:

- Risk of corruption of IT systems or data and unauthorised access to central IT systems.
- Reputational risk due to adverse publicity and fear of religious extremism.
- Risk of a targeted attack on UCCF's Christian values.

UCCF Trustees Report and Financial Statements 2017

- Safety and security of the UCCF summer teams.
- Volatility of income due to the proportion arising from legacies which is very difficult to predict.

The Trustees assessment is that adequate control measures are in place for the identified risks and that the ongoing monitoring process and review by the senior management team is sufficient to ensure that any new risks are identified.

STRUCTURE, GOVERNANCE and MANAGEMENT

Structure

UCCF exists to engage in evangelical and evangelistic Christian work in tertiary education institutions.

- The UCCF Trust Board is the primary committee within The Fellowship having fully vested powers of governance as further set out in the Fellowship's Memorandum and Articles of Association.
- The UCCF Trust Board continues to devolve certain levels and types of executive authority to the Fellowship's various operating divisions, but it retains ultimate responsibility for all the work of The Fellowship.
- The Fellowship is affiliated to the International Fellowship of Evangelical Students (IFES), and is thereby identified with other member movements around the world.

All Trustees give their time voluntarily and do not receive any personal financial benefit from The Fellowship.

Composition of the Board

The membership of the UCCF Trust Board at 30th April 2017 was:

1. Miss Mary Currie (Chair)
2. Rev Raymond Brown
3. Rev Dafydd Job
4. Mr David Lilley
5. Mrs Joanne Mckenzie
6. Miss Eva McGrath (Chair of Student Council)
7. Mr Stephen Rigby
8. Rev John Samuel (Vice-Chair)
9. Rev John Stevens
10. Rev Dr Robin Sydserff
11. Dr Christopher Willmott

Appointments during the 1st May 2016 – 30th April 2017 period being reported

Rev Raymond Brown was appointed at the AGM 24th November 2016

Mr Stephen Rigby was appointed at the AGM 24th November 2016

Rev John Stevens was appointed at the AGM 24th November 2016

Retirements during the 1st May 2016 – 30th April 2017 period being reported

Mr Richard Borgonon retired at the AGM 24th November 2016

Rev Gareth Lewis retired at the AGM 24th November 2016

Appointment, Induction and Training of Trustees

Trustees are elected, or if agreed re-elected on a defined rotational basis and new Trustees are provided with a suitable induction into The Fellowship's objects and ways of working from a governance perspective.

The procedures and training in place for new trustees are detailed below.

The new Trustee is sent:

- "The Essential Trustee – What you need to know" – Charity Commission publication
- Memorandum & Articles
- The Constitution 2004
- Governance Manual 2006

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- List of Trustees & Members

The new Trustee signs:

- Doctrinal Basis – re-signed if and when their Trusteeship is extended beyond three years.
- Statement of obligations as a Trustee
- Declaration of Interest and then signed at every subsequent AGM

Various members of staff also routinely attend the Trust Board ex-officio (non-voting). These particularly include the Director of Christian Unions, the Company Secretary, the Field Director and the Head of Finance.

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year that give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year.

In preparing the financial statements, giving a true and fair view, the Trustees should follow best practice and:

- Select suitable accounting policies and apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

RESERVES POLICY

NOTE – in this section the term "reserves" is taken to mean unrestricted, free cash reserves that are readily available for use and thus excludes reserves taking the form of fixed assets or other restricted reserves which are funds received for specific project work.

The Trustees recognise that reserves are essential in order to ensure that fluctuations in income do not have a detrimental knock-on effect on the work. They have adopted as a policy that a cash reserve of eight weeks of operating costs should be maintained, calculated on the basis of an annual budget. The Trustees believe that this balances the need to apply funds to the mission whilst ensuring that there are sufficient funds available to run the day to day activities and manage any financial risks or any short-term income volatility.

That said, the Trustees aspire to achieving a higher, maximum twelve weeks' level of cover, annualised. The Fellowship is still too dependent upon the volatility of certain types of income, notably legacy income and the Trustees believe that a strengthened reserves strategy can help reduce The Fellowship's exposure to fluctuations outside its control.

At the end of the financial year, free cash reserves totalled £596,730 and represented just over 8 weeks of operating costs.

INVESTMENT POLICY

A "Balanced Investment" portfolio seeks to generate a return above inflation over the long term, but with a level of risk that is acceptable within the volatility of the market. The portfolio is structured as capital for the long term, but none of it is illiquid, meaning it can be readily accessed should the need arise. Income generated from the capital is paid into a cash account, allowing the Trustees to decide annually on whether to spend the cash, carry it forward or increase the capital.

REMUNERATION POLICY

UCCF seeks to be a good employer, both stewarding supporters' money in a way they understand, but also providing staff with a realistic salary, where they can afford necessities including rent, food and other living costs, as well as affording rest and leisure activities. This way UCCF will be a responsible employer, and attractive to potential candidates, and retain excellent personnel whether single, married or with a family to support.

An annual pay increase is considered each year and is primarily dependent on the income of The Fellowship. The pay increase is based on a range of indices such as Retail Price Index and the Consumer Price Index. Consideration of what other organisations are doing regarding salary increases is made on a semi regular basis. This % pay increase applied to all staff is recommended as part of the budget and this is then discussed, reviewed and approved by the Trustees as part of the overall budget review.

Salary benchmarking for certain roles is carried out when recommended by the Trust Board. The last review for senior staff was completed in September 2015 with the conclusion that no adjustment was required at that time.

All staff are paid above the recommended living wage and those working in London are paid an additional London allowance. In addition to salary and employee pension, The Fellowship provides life insurance for staff who have a financial responsibility to a family member while they are working for The Fellowship.

CONTRIBUTION OF VOLUNTEERS

Some sixty volunteers (known as 'Relay Workers') work closely alongside our own CU Staff Workers as part of their training on the Relay scheme. Relay Workers stay with UCCF for a year or so usually joining the scheme shortly after graduating. This scheme is a significant part of the work of The Fellowship. A number of volunteer Associate Staff Workers contribute to our work locally in various ways.

AUDITORS

A resolution to reappoint Mazars LLP as auditors to the Company and to authorise the Trustees to fix their remuneration was approved at the Annual General Meeting held on 24th November 2016.

Mazars LLP have expressed their willingness to continue in office as auditors and this will be submitted to the Annual General Meeting in November 2017.

OTHER INFORMATION

The principal and registered address of The Fellowship is Blue Boar House, 5 Blue Boar Street, Oxford OX1 4EE.

This report has been prepared in accordance with the Statement of Recommended Practice and Accounting by Charities (revised 2015)

So far as the Trustees are aware, there is no relevant audit information of which the company's auditors are unaware, and they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information, and they have made such enquiries of their fellow Trustees and of the company's auditors

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for that purpose, and taken such other steps (if any) for that purpose, as were required by their duty as Trustees of the company to exercise due care, skill and diligence.

The Trustees Report and the Strategic Report were approved by the Board on and signed on its behalf by:

M. M. Currie

Mary Currie
CHAIR of TRUST BOARD

DATE 21st November 2017

Independent auditor's report to the members of Universities & Colleges Christian Fellowship

We have audited the financial statements of Universities & Colleges Christian Fellowship for the year ended 30 April 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Cashflow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS102, "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 6, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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

Scope of the audit of the financial statements

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

Opinion on the financial statements

In our opinion the financial statements:

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

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 April 2017 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Trustees' Report.

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

- the charity has not kept proper and adequate accounting records 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' directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit



Ian Holder (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

45 Church Street
Birmingham
B3 2RT

Date *20 December 2017*

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

Statement of Financial Activities

For the year ended 30th April 2017 (incorporating an income and expenditure account)

		Unrestricted Funds	Restricted Funds	2017 Total Funds	Unrestricted Funds	Restricted Funds	2016 Total Funds
		£	£	£	£	£	£
INCOME from:	Note						
Donations		2,689,256	402,962	3,092,218	2,406,755	693,379	3,100,135
Legacies		219,602	-	219,602	968,557	-	968,557
Charitable Activities		359,210	60,918	420,128	367,593	143,635	511,228
Other Trading Activities		-	-	-	-	15,191	15,191
Investments		2,470	-	2,470	2,781	511	3,292
Other		27,790	-	27,790	23,575	-	23,575
Total Income		3,298,328	463,880	3,762,208	3,769,261	852,716	4,621,977
EXPENDITURE on:							
Raising Funds		223,325	1,674	224,999	259,324	5,491	264,815
Charitable Activities	2,3	3,152,049	281,389	3,433,438	2,813,303	883,221	3,696,524
Transfer of Branch to New Entity		-	-	-	-	1,951,136	1,951,136
Total Expenditure		3,375,374	283,063	3,658,437	3,072,627	2,839,848	5,912,475
Net Income/(Expenditure) Before Gain/(Loss) on Investment		(77,046)	180,817	103,771	696,634	(1,987,132)	(1,290,498)
Net gain/(losses) on Investment		182,147	-	182,147	4,964	-	4,964
Net Income/(Expenditure)		105,101	180,817	285,918	701,598	(1,987,133)	(1,285,534)
Transfers Between Funds		204,603	(204,603)	-	25,347	(25,347)	-
Net Movement in Funds		309,704	(23,786)	285,918	726,945	(2,012,479)	(1,285,534)
RECONCILIATION of Funds:							
Total Funds Brought Forward		1,358,156	1,854,010	3,212,166	631,211	3,866,489	4,497,700
Total Funds Carried Forward		1,667,860	1,830,224	3,498,084	1,358,156	1,854,010	3,212,166

The Notes on pages 14 to 22 form part of these financial statements.

Balance Sheet

As at 30th April 2017

Company Registration No. 387932

		2017		2016	
		£	£	£	£
Fixed Assets	Note				
Tangible Assets	6	1,667,949		1,709,162	
Investments	7	1,173,563		891,416	
		<u>2,841,512</u>		<u>2,600,578</u>	
Current Assets					
Debtors	8	160,371		225,961	
Cash at bank and in hand		827,129		711,270	
		<u>987,500</u>		<u>937,231</u>	
Creditors					
Amounts falling due within 1 year	9	(330,928)		(325,643)	
		<u>(330,928)</u>		<u>(325,643)</u>	
Net Current Assets		<u>656,572</u>		<u>611,588</u>	
TOTAL NET ASSETS		<u>3,498,084</u>		<u>3,212,166</u>	
Funds of the charity					
Restricted	11	1,830,224		1,854,010	
Designated	13	143,002		178,350	
General		1,524,858		1,179,806	
TOTAL FUNDS		<u>3,498,084</u>		<u>3,212,166</u>	

The Financial Statements were approved by the Trustees on 21st November 2017 and signed on its behalf by Mary Currie (Chair and Trustee)

M. M. Currie

The Notes on pages 14 to 22 form part of these financial statements

Cash Flow Statement

For the year ended 30th April 2017

Note	2017		2016	
	£	£	£	£
Cash Flows from operating activities				
Net income /expenditure for the period	285,918		(1,285,534)	
adjustments for:				
Depreciation charges	61,463		86,281	
Decrease in long term loan	-		-	
(Increase)/decrease in debtors	65,590		(66,625)	
Increase/(decrease) in creditors	5,285		29,363	
(Increase)/decrease in stocks	-		3,292	
Unrealised profit on investments	(182,147)		(4,964)	
Investment income and interest	(2,470)		(3,291)	
Transfer of branch to new entity	-		1,951,136	
Cash transferred to new entity	-		(1,044,167)	
(Profit)/loss on disposal of fixed assets	245		95	
Net Cash provided by operating activities		233,884		(334,414)
Cash Flows from investing activities				
Income from investments	2,470		3,291	
Tangible assets: additions	(20,633)		(20,861)	
Tangible assets: sale proceeds	138		90	
Investments: additions	(100,000)		(850,000)	
Net Cash provided by investing activities		(118,025)		(867,480)
Movement in cash and cash equivalents in the reporting period		115,859		(1,201,894)
Cash and cash equivalents at 1st May		711,270		1,913,165
Cash and cash equivalents at 30th April		827,129		711,270
Analysis of cash and cash equivalents				
Cash at bank and in hand		827,129		711,270

The Notes on pages 14 to 22 form part of these financial statements

NOTES to the Financial Statements

For the year ended 30th April 2017

1. ACCOUNTING POLICIES

Basis of accounting

These financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

UCCF meets the definition of a public benefit entity under FRS 102.

Going Concern

The financial statements have been prepared on a going concern basis as the Trustees believe that there are no material uncertainties about The Fellowship's ability to continue as a going concern. The Trustees have considered the level of funds held and the expected level of income and expenditure for the next 12 months and the budgeted income and expenditure is sufficient with the level of reserves for The Fellowship to be able to continue as a going concern.

Funds Accounting

The Fellowship's reserves are classified in the following three ways:

General Funds – These are unrestricted funds available for use at the discretion of the Trustees to use in the normal activity of The Fellowship in furtherance of its general charitable objectives and which have not been designated for other purposes.

Designated Funds – these are unrestricted funds that have been set aside by the Trustees for a particular purpose.

Restricted Funds – are funds that are to be used in accordance with specific restrictions imposed by donors or which have been raised by The Fellowship for particular purposes. The cost of raising and administering these restricted funds are charged against the specific fund.

Income and expenditure relating to restricted and/or designated purposes are reflected in the Statement of Financial Activities ("SOFA"), with the resultant net incoming/(outgoing) resources thereon being appropriated each year to separate funds in the balance sheet.

Tangible fixed assets

Tangible fixed assets costing more than £500 are capitalised and included at cost, including any incidental expenses of acquisition to bring the asset into working condition for its intended use.

Assets are reviewed for impairment by the Trustees if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation of leasehold property is provided at a rate calculated to write off the cost over not longer than the remaining period of the lease.

Realised gains and losses are shown in the appropriate section of the SOFA.

NOTES to the Financial Statements (continued)

For the year ended 30th April 2017

Depreciation is provided at rates calculated to write off the cost of those assets on a straight-line basis over their expected useful lives.

The principal annual rates used are:

Freehold buildings purchased after 1980	2%
Computer and other shorter life equipment	33%
Fixtures and fittings	12.5%

Stock and work in progress

Stock and work in progress is stated at the lower of cost and net realisable value.

Investments

Investments and loans held as fixed assets include both listed and unlisted investments. Listed investments are held at market value with any gain or loss being taken to the SOFA, whilst unlisted investments are held at cost less any provision for impairment.

Income

Income is included in the SOFA when The Fellowship is entitled to the income after any performance conditions attached to the income have been met, the amounts can be measured reliably and it is probable that the income will be received.

Donations - Donations are recognised when the receipts have been deposited into the bank. Gift Aid tax reclaimable is recognised in the accounts when a claim has been submitted.

Legacies - Legacies are recognised when probate is given and there is sufficient information to value them.

Royalties

Copyright costs, royalties and contributors' fees are written off in the period in which they are incurred apart from those that relate to large specific publishing projects. These costs are written off over the life of the first printing to ensure that costs and associated revenues are matched as far as possible.

Expenditure

All expenditure is accounted on an accruals basis. Expenditure is recognised when there is a legal or constructive obligation committing The Fellowship to the expenditure. Costs reported under each heading in the SOFA reflect the allocations of activities directly attributable to that heading together with an apportionment of support and governance costs (see below).

Raising Funds costs represent the expenditure incurred on generating funds from all the possible sources of income.

Charitable activities costs represent the expenditure incurred on student ministry.

Support costs include expenditure on office costs, governance, payroll administration, information technology, human resources and financing. Together with governance costs they are allocated between the cost of raising funds and charitable activities as shown in note 3.

NOTES to the Financial Statements (continued)

For the year ended 30th April 2017

Foreign currency

Transactions in foreign currencies are translated into sterling at rates of exchange ruling at the date on which transactions occur.

All foreign currency balances are translated at the rate ruling at the balance sheet date.

Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight-line basis over the lease term.

Taxation

As a registered charity and in accordance with Section 505 ICTA 1988 there is no taxation charge arising from the result for the year.

Irrecoverable VAT is treated as a cost to The Fellowship and is included within the relevant expense.

Pensions

The Fellowship uses a defined contribution pension scheme run by the People Pension (TPP).

Employer contributions into the scheme and contributions payable to the pension scheme are charged to the SOFA in the period to which they relate.

NOTES to the Financial Statements (continued)

For the year ended 30th April 2017

2. EXPENDITURE

	Direct Staff Costs	Other Direct Costs	Support Costs	Deprn	TOTAL 2017	TOTAL 2016
Expenditure on Raising Funds	132,364	59,076	28,184	5,375	224,999	264,815
Charitable Activities						
Student Ministry	2,126,567	893,333	388,937	24,601	3,433,438	3,162,364
Research	-	-	-	-	-	534,160
Total Charitable Activities	2,126,567	893,333	388,937	24,601	3,433,438	3,696,524
Transfer of Branch to new entity	-	-	-	-	-	1,951,136
Total Expenditure	2,258,931	952,409	417,121	29,976	3,658,437	5,912,475

3. SUPPORT COSTS

	Facilities & HR	Finance	IT	Gov'nce	TOTAL 2017	TOTAL 2016
Raising Funds	11,941	10,668	3,760	1,815	28,184	30,415
Student Ministry	164,782	147,220	51,885	25,050	388,937	361,984
Research	-	-	-	-	-	3,001
Total Support costs	176,723	157,888	55,645	26,865	417,121	395,400

Depreciation costs of £31,487 and staff costs of £205,986 are included within support costs. Support Costs are allocated to activities on the basis of headcount.

4. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2017	2016
Auditors' remuneration	(7,425)	(10,450)
Depreciation	(61,463)	(86,281)
Gift Aid (income)	256,908	263,123

NOTES to the Financial Statements (continued)

For the year ended 30th April 2017

5. EMPLOYEES and TRUSTEES

a) EMPLOYEES

Staff costs	2017	2016
Salaries	2,206,427	2,209,956
Social security costs	190,896	191,774
Pension Contributions	78,840	157,874
Total	2,476,163	2,559,603

The staff costs shown above differ from those shown in note 2 by the amount of staff costs included as support costs.

Average staff numbers by division	2017	2016
Student Ministry	97	93
Research (Tyndale House & Klice)	-	22 *
Total	97	115

* for the period May 15 to October 15

Key management personnel remuneration

The key management personnel of the charity comprise of the Student Ministry Leadership Teams and the Trustees. The Student Ministry Leadership Team is the Director, the Field Director, 5 Office Team Leaders and 10 Field Team Leaders.

Total remuneration (incl pension contributions)	2017	2016
Student Ministry	648,288	646,702
Research (Tyndale House & Klice)	-	86,083 *

* for the period May 15 to October 15

There are no employees earning in excess of £60,000 (excluding employer pension contributions). In 2017 there were 0 student ministry leadership team vacancies.

b) TRUSTEES

No Trustee received remuneration from the charity during the year (2016; none). Trustees are reimbursed for out of pocket travel and subsistence expenses.

	2017	2016
Trustees receiving re-imburement	8	8
Total amount of reimbursement	951	1,498

NOTES to the Financial Statements (continued)

For the year ended 30th April 2017

6. TANGIBLE FIXED ASSETS

	Leasehold Property	Computer, Fixtures & Fittings	Total
Cost			
At 1st May 2016	1,735,010	281,430	2,016,440
Additions	-	20,633	20,633
Disposals	-	(18,260)	(18,260)
At 30th April 2017	1,735,010	283,803	2,018,813
Depreciation			
At 1st May 2016	111,445	195,831	307,276
Charge for year	24,768	36,695	61,463
On disposals	-	(17,876)	(17,876)
At 30th April 2017	136,213	214,650	350,863
Net Book Value			
At 30th April 2016	1,623,565	85,598	1,709,163
At 30th April 2017	1,598,797	69,152	1,667,949

7. INVESTMENTS

Cost/Market Value	2017	2016
Market value at start of year	891,416	36,452
Additions at cost	100,000	850,000
Disposals at carrying value	-	-
Change in market value	182,147	4,964
Market value at end of year	1,173,563	891,416
Historical cost at 30th April	1,036,792	868,396

Investment Comprises:

	2017	2016
Cash	24,449	850,000
Listed Investments	1,149,114	41,416
Investment Properties	-	-
Loans to group undertakings	-	-
Equity investment in group undertakings	-	-
Social investments	-	-
Other investments	-	-
Total	1,173,563	891,416

NOTES to the Financial Statements (continued)

For the year ended 30th April 2017

8. DEBTORS: Amounts falling due within one year

	2017	2016
Trade debtors	5,733	25,306
Accrued legacy income	20,592	100,987
Prepayments	53,436	51,620
Gift Aid recoverable	22,650	21,860
VAT due	-	-
Other debtors	57,960	26,187
Total	160,371	225,960

9. CREDITORS: Amounts falling due within one year

	2017	2016
Trade creditors	35,096	71,388
Accruals	135,046	105,426
Taxation and social security	1,393	2,340
Deferred income	111,146	102,016
Other creditors and accruals	48,247	44,473
Total	330,928	325,643

Deferred Income

	2017	2016
Conference/Summer Team income received in advance	89,417	64,636
Relay training fees & deposits received in advance	15,170	14,750
Donations for new staff post received in advance	6,559	22,630
Total	111,146	102,016

10. ANALYSIS of NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Restricted Funds	2017 Total Funds	2016 Total Funds
	£	£	£	£
Tangible fixed assets	69,153	1,598,797	1,667,949	1,709,162
Investments	1,173,563	-	1,173,563	891,416
Current assets	731,162	256,339	987,500	937,231
Current liabilities	(306,015)	(24,913)	(330,928)	(325,643)
Total funds	1,667,862	1,830,222	3,498,084	3,212,166

NOTES to the Financial Statements (continued)

For the year ended 30th April 2017

11. RESTRICTED FUNDS

Restricted funds are funds donated or allocated for restricted purposes.

	Balance at 1st May 2016	Income	Expenditure	Transfers	Balance at 30th Apr 2017
	£	£	£	£	£
Student Ministry					
New building fund	1,795,034	-	(24,768)	-	1,770,266
Vardy NE CUSW fund	5,334	-	-	-	5,334
Students abroad conference	385	-	-	-	385
Student travel	1,238	-	-	-	1,238
CU freedom fund	15,680	-	-	-	15,680
RW Assistance Fund	30,564	1,091	-	(109)	31,546
Exeter Uni CU Fund	3,177	-	-	-	3,177
Mission Assistance	2,598	-	-	-	2,598
Gospel Project	-	78,371	(58,381)	(19,990)	-
Leadership Network	-	384,418	(199,914)	(184,504)	-
Total	1,854,010	463,880	(283,063)	(204,603)	1,830,224

The total transfer between unrestricted and restricted funds of £204,603 in the year comprised of:

- * £19,990 of costs were transferred from general funds to the Gospel Project for the salaries and associated costs of field and office staff for their time managing and implementing the Gospel Project
- * £184,504 of costs were transferred from general funds to the Leadership Network project for the salaries and associated costs of field and office staff for their time working on the Leadership Network project

12. UNRESTRICTED FUNDS

	Balance at 1st May 2016	Income	Expenditure	Transfers	Balance at 30th Apr 2017
	£	£	£	£	£
General Funds	1,179,806	3,338,761	(3,207,035)	213,326	1,524,858
Designated Funds	178,350	141,714	(168,339)	(8,723)	143,002
Total	1,358,156	3,480,475	(3,375,374)	204,603	1,667,860

NOTES to the Financial Statements (continued)

For the year ended 30th April 2017

13. DESIGNATED FUNDS

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds for specific purposes:

	Balance at 1st May 2016	Income	Expenditure	Transfers	Balance at 30th Apr 2017
	£	£	£	£	£
Student Ministry					
Staff worker posts	118,919	18,772	(37,782)	(3,283)	96,626
Strategic Research	-	70,935	(63,921)	(5,440)	1,574
SE CU Big Weekend	5,046	13,298	(18,344)	-	-
Summer teams	9,583	38,709	(48,292)	-	-
London mission & training	3,000	-	-	-	3,000
Hardship fund	4,302	-	-	-	4,302
Reserve fund	37,500	-	-	-	37,500
Total	178,350	141,714	(168,339)	(8,723)	143,002

14. UNDISCLOSED INCOME & EXPENDITURE

The Fellowship operates a number of holding accounts, mainly to enable our Relay Scheme volunteers to operate. None of this income or expenditure is controllable or owned by The Fellowship.

	2017	2016
Undisclosed incoming resources	331,457	259,168
Related Liability at end of the period	5,702	1,556

15. PENSIONS

The Fellowship operates a workplace pension scheme whose assets are held separately from those of The Fellowship in an independently administered fund. All eligible staff are auto-enrolled into the scheme. The Fellowship makes contributions into their scheme of 2%, 5% or 7.5%. At 30th April 2017, there were no contributions outstanding to the schemes. (2016; £ Nil)

16 CAPITAL COMMITMENTS

At 30th April 2017 there was no contracted nor authorised capital expenditure (2016; £ nil)

17 FINANCIAL COMMITMENTS

At 30th April 2017 The Fellowship had no commitments for payments under non-cancellable operating leases in the year to 30th April 2017. (2016; £ nil)