

Charity Registration No. 1095661

Company Registration No. 4566306 (England and Wales)

LEADING THE WAY EUROPE
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020

LEADING THE WAY EUROPE

LEGAL AND ADMINISTRATIVE INFORMATION

Council Of Management	C C Wright Dr R T Kendall R G Waites M A Youssef O Louca (Appointed 17 December 2020)
Charity number	1095661
Company number	4566306
Principal address	Unit 3 Burnt Oak Business Park Waldron Heathfield TN21 0NL
Registered office	Cansdales Bourbon Court Nightingales Corner Little Chalfont Buckinghamshire HP7 9QS
Independent examiner	James Foskett FCA DChA Cansdales Bourbon Court Nightingales Corner Little Chalfont Bucks HP7 9QS
Bankers	Barclays Bank plc Leicester LE87 2BB

LEADING THE WAY EUROPE

CONTENTS

	Page
Council Members' report	1 - 4
Independent examiner's report	5
Statement of financial activities	6
Balance sheet	7
Notes to the financial statements	8 - 11

LEADING THE WAY EUROPE

COUNCIL MEMBERS' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 OCTOBER 2020

The Council of Management present their report and financial statements for the year ended 31 October 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Companies Act 2006 and "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 1 January 2019)"

Objectives and activities

The objectives of the charitable company are set out in the Memorandum and Articles of Association and are to advance the Christian faith in accordance with the Statements of Beliefs therein in the United Kingdom and Europe and in such other parts of the world as the Council of Management may from time to time deem fit and to fulfill such other purposes which are exclusively charitable according to the law of England and Wales and are connected with the work of the charitable company.

When planning our activities for the year, the Council of Management have considered the guidance issued by the Charity Commission on Public Benefit and, in particular, the specific guidance on charities for the advancement of religion. Specifically, we provide programming that is: available to the public without charge; includes teaching on how to live a changed, responsible and moral life; that is an inspiration to help others in the local community and beyond; and teaching that promotes our viewers and listeners to be a positive Christian witness.

Leading The Way began as a small local radio ministry and has now grown into an outreach reaching millions for Christ as we advance the Christian faith. And our unique impact continues to grow.

During the year ended 31 October 2020, Leading The Way carried out activities in accordance with its aims and objectives:

- Equipping audiences through Biblically-based television and radio programmes: The Leading The Way television programme was broadcast multiple times each week across the UK on the TBN and Daystar channels that can be accessed on Freeview. The Leading The Way radio programme was broadcast each weekday at 9am by Premier Christian Radio on terrestrial, DAB and Freeview stations. All of our content was also made available on multiple internet platforms.
- Proclaiming the Gospel in 26 languages through dual-language broadcasts and through our solar-powered Navigator audio Bible players.
- Broadcasting into the Middle East through our satellite TV channel THE KINGDOM SAT.
- Educating audiences through features in UK Christian media throughout the year, in particular around Dr Youssef's expert views on current world events.

LEADING THE WAY EUROPE

COUNCIL MEMBERS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 OCTOBER 2020

Achievements and performance

Encouraging progress was made in a number of key areas as we continued to assemble the building-blocks for a much wider and deeper impact, with a particular focus on attempting to secure the financial investment for infrastructure development, as well as for ministry delivery and expansion. We have seen God's hand at work as He has opened up a number of wonderful – and unexpected – opportunities, for which we give grateful thanks.

As we began the year, our intention was to focus on initiatives that would generate the highest rate of return on investment on the premise that the successful delivery of this plan would provide a solid platform on which to build further in terms of ministry delivery, increased awareness and profile-raising, supporter recruitment, and income generation.

The organization had a successful year in all aspects of its ministry. With the continued rise in its profile and visibility and the increase in donations from our faithful supporters, Leading The Way Europe was able to expand its outreach to proclaim the message of Christ in the advancement of the Christian faith.

Financial review

The income during the year totalled £446,976 (2019: £293,882) and expenditure during the year totalled £340,384 (2019: £344,104) which has resulted in a surplus for the year of £106,592 (2019: Deficit of £50,222).

The Council of Management has established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets or investments ('the free reserves') held by the charitable company are sufficient to meet the ongoing work of the charitable company. This policy and the levels of reserves will be reviewed from time to time. The total level of reserves at the end of the year was £243,204 (2019: £136,612). Based upon the Council of Management's review, they have determined that the level of reserves at the year end were adequate for the operations of the charitable company.

Investment Policy

The Council of Management have the power to invest the monies of the charitable company not immediately required for the furtherance of its objectives in or upon such investments, securities or property as may be thought fit, subject to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law.

Risk Management

The Council of Management have examined the major risks the charitable company faces and has implemented internal controls to prevent and detect fraud and to lessen those risks that may cause the financial statement to be materially misstated as a result of fraud.

LEADING THE WAY EUROPE

COUNCIL MEMBERS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 OCTOBER 2020

Structure, governance and management

Leading The Way Europe is a charitable company limited by guarantee governed by its Memorandum and Articles of Association Dated 17 October 2002. The Company Registration number is 4566306 and the Charity Commission Registration number is 1095661.

The Council of Management, who are also the directors for purpose of company law, and are trustees for the purpose of charity law, and who served during the fiscal year were:

R T Kendall
R G Wailes
C C Wright
M A Youssef
O Louca (Appointed 17 December 2020)

The Council of Management, which shall be not less than three, administers the charity. All trustees are invited to nominate new trustees prior to the general meeting. In selecting persons to be appointed as Trustees, the Council of Management shall take into account the benefits of appointing a person who is able by virtue of his or her personal or professional qualifications to make a contribution to the pursuit of the objects or the management of the Charity. New trustees may be appointed by ordinary resolution at a general meeting. New trustees will undergo an orientation to brief them on: their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the Charity Commission guidance on public benefit, and to inform them of recent financial performance of the charity.

The members of the charitable company are the members of the Council of Management and each member guarantees to contribute an amount not exceeding £10 to the assets of the charitable company in the event of winding up.

Covid-19

The charitable company is currently monitoring the guidance and taking advice where necessary.

Our small team has adjusted well to working from home. Face-to-face meetings and events have been replaced by Zoom calls. We have set up a programme of regular communication with our supporters and financial partners by using phone calls, social media and email, and we are still able to send monthly communications by post. Our organisational structure is sufficiently agile and we are able to adapt quickly to different ways of working.

Because Leading the Way's ministry is predicated on communicating the Christian Gospel using modern methods of technology (TV, radio, satellite, internet, and social media platforms), and since a large amount of the world's population is currently confined to their homes, with a huge jump in use of this technology, we are incredibly well positioned to reach many more people - Christians and non-Christians - through our work. Given the fear, anxiety and uncertainty that so many people are now facing, and the questions of life and faith they are asking, never before in the history of Leading the Way have we had such an opportunity to reach our target audience as we do right now! The difficulties experienced so far are minimal and relate more to the challenges of how we speed up the pace of our work and press forward!

LEADING THE WAY EUROPE

COUNCIL MEMBERS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 OCTOBER 2020

The council members are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires council members to prepare financial statements for each financial year. Under that law the council members elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice. Under company law the council members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the council members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The council members are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Council Members' report was approved by the Board of Council Of Management.

M A Youssef

Dated: 21 June 2021

LEADING THE WAY EUROPE

INDEPENDENT EXAMINER'S REPORT

TO THE COUNCIL OF MANAGEMENT OF LEADING THE WAY EUROPE

I report to the Council of Management on my examination of the financial statements of Leading the Way Europe (the charitable company) for the year ended 31 October 2020.

This report is made solely to the Council of Management, as a body, in accordance with Section 145 of the Charities Act 2011. My independent examination has been undertaken so that I might state to the Council of Management those matters I am required to state to them in an Independent Examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Council of Management, for my reporting work or for this report.

Responsibilities and basis of report

As the Council of Management of the charitable company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charitable company's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charitable company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



James Foskett FCA DChA

Candales Chartered Accountant & Business Advisers

Bourbon Court

Nightingales Corner

Little Chalfont

Bucks

HP7 9QS

Dated: 22 June 2021

LEADING THE WAY EUROPE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 OCTOBER 2020

	Notes	2020 £	2019 £
<u>Income from:</u>			
Voluntary Income	2	415,254	269,829
Charitable activities	3	31,640	23,933
Investments	4	82	120
Total income		<u>446,976</u>	<u>293,882</u>
<u>Expenditure on:</u>			
Raising funds	5	<u>111,384</u>	<u>115,743</u>
Charitable activities	6	<u>229,000</u>	<u>228,361</u>
Total expenditure		<u>340,384</u>	<u>344,104</u>
Net income/(expenditure) for the year/ Net movement in funds		106,592	(50,222)
Fund balances at 1 November 2019		136,612	186,834
Fund balances at 31 October 2020		<u>243,204</u>	<u>136,612</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities. All income and expenditure is unrestricted.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

LEADING THE WAY EUROPE

BALANCE SHEET

AS AT 31 OCTOBER 2020

	Notes	2020 £	£	2019 £	£
Current assets					
Debtors	9	12,381		13,954	
Cash at bank and in hand		257,866		157,836	
		<u>270,247</u>		<u>171,890</u>	
Creditors: amounts falling due within one year	10	(27,043)		(35,278)	
Net current assets			<u>243,204</u>		<u>136,612</u>
Income funds					
Unrestricted funds			<u>243,204</u>		<u>136,612</u>
			<u>243,204</u>		<u>136,612</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 October 2020.

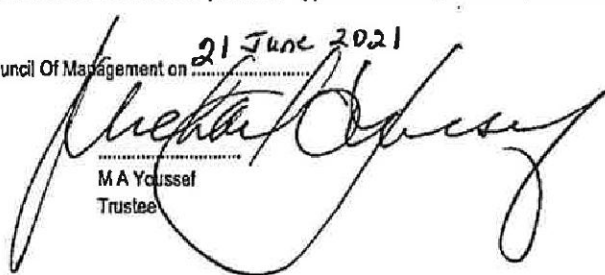
The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 478.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the Council Of Management on


R G Wallis
Trustee

21 June 2021

M A Youssef
Trustee

Company Registration No. 4566306

LEADING THE WAY EUROPE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2020

1 Accounting policies

Charity information

Leading the Way Europe is a private company limited by guarantee incorporated in England and Wales. The registered office is Cansdales, Bourbon Court, Nightingales Corner, Little Chalfont, Buckinghamshire, HP7 9QS

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's memorandum and articles of association, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

1.2 Going concern

At the time of approving the financial statements, the Council of Management have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the Council Members' continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Council of Management in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charitable company.

1.4 Income

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charitable company has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

LEADING THE WAY EUROPE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2020

1 Accounting policies (Continued)

1.5 Expenditure

i) Expenditure is accounted for on an accruals basis, inclusive of VAT, which cannot be recovered.

ii) Where gifts in kind are made to the charitable company, a credit is made to the income of the charitable company at a valuation made by the Council of Management. If the charitable company is provided with facilities at no charge or reduced cost, the full market cost is included in expenditure with corresponding recognition of income.

iii) Expenditure is allocated to the particular activity where the costs relate directly to that activity. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources.

iv) Amounts relating to management and administration costs have been apportioned to the cost centres of charitable activities and governance costs in accordance with the requirements of the SORP.

v) Governance costs comprise all costs relating to the public accountability of the charitable company and its compliance with regulation and good practice. These costs include costs relating to the Independent examiners report.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Tax Status

The charitable company is a registered charity within the definitions of section 506(1) Income and Corporation Taxes Act 1988 and is therefore able to take advantage of the exemptions given by Section 505 of the Act.

1.8 Funds accounting

Funds held by the charitable company are:

Unrestricted general funds - these are funds which can be used in accordance with the charitable objectives at the discretion of the council of management.

Restricted Funds - these are funds which can only be used for particular purposes within the objectives of the charitable company. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

The nature and purpose of each fund is explained further in the notes to the financial statements.

2 Voluntary Income

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Donations and gifts	<u>415,254</u>	<u>269,829</u>

LEADING THE WAY EUROPE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2020

3 Charitable activities

	2020 £	2019 £
Gift aid income	31,640	23,933

4 Investments

	Unrestricted funds	Unrestricted funds
	2020 £	2019 £
Interest receivable	82	120

5 Raising funds

	2020 £	2019 £
<u>Fundraising and publicity</u>		
Other fundraising costs	16,304	7,573
Support costs	95,080	108,170
Fundraising and publicity	111,384	115,743
	111,384	115,743

6 Charitable activities

	Programme Administration & Support costs £	Airtime, television & radio £	Education and Publications £	Speaking Event £	Total 2020 £	Total 2019 £
Charitable expenditure	38,013	107,960	76,016	1,991	223,980	223,179
Governance Cost:						
Independent Examination Fee	2,672	-	-	-	2,672	2,579
Other services	1,970	-	-	-	1,970	1,915
Share of other governance costs	378	-	-	-	378	688
	43,033	107,960	76,016	1,991	229,000	228,361

LEADING THE WAY EUROPE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2020

7 Council Of Management

Members of the Council of Management are not remunerated and there were no expense claims for Council of Management members (2019: Nil) There were no donations made to the charitable company from the council of management (2019: Nil).

8 Employees

There were no employees during the year (2019: Nil).

9 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	12,381	13,954

10 Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	22,543	30,778
Accruals and deferred income	4,500	4,500
	27,043	35,278

11 Coronavirus (COVID-19)

The Coronavirus (COVID-19) has emerged globally resulting in a significant impact on businesses worldwide. As a result some business operations have been restricted, however the charity continues to operate using alternative methods and remote working. The trustees are unable to evaluate the overall financial impact on the business at present. Hence financial statements do not include any adjustments that might result from the outcome of this uncertainty. The trustees are continuing to monitor, assess and act to the current changing environment in order to position the charity to ensure its future success.

12 Related party transactions

There were no disclosable related party transactions during the year (2019: none).