

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

England & Wales · Charity number 1168037

Details

Other names	FIEC
Status	Registered
Legal form	CIO
Registered	2016-07-05
Register	View on the Charity Commission register

Contact

Address	41 The Point Market Harborough LE16 7QU
Phone	01858434540
Email	admin@fiec.org.uk
Website	www.fiec.org.uk

Activities

Objects: TO ADVANCE THROUGHOUT THE WORLD THE EVANGELICAL CHRISTIAN FAITH WHICH SHALL MEAN THE FAITH BASED UPON THE DOCTRINAL BASIS OF THE CIO AND AND IN PARTICULAR, TO:5.1.1 PROMOTE THE UNITY AND WELFARE OF CHURCHES OF CHRISTIAN BELIEVERS WHICH ARE UNDENOMINATIONAL IN CONSTITUTION OR WHICH HAVE COME TO OCCUPY A POSITION OF DETACHMENT FROM THE DENOMINATIONAL BODIES WITH WHICH THEY HAVE BEEN ASSOCIATED BUT WITHOUT NECESSARILY ALTERING THEIR CONSTITUTIONS, ALL SUCH CHURCHES FINDING THEIR UNITY ON THE BASIS OF THE COMMON ADHERENCE TO THE FUNDAMENTAL DOCTRINES OF PROTESTANT EVANGELICAL CHRISTIANITY AS SET FORTH IN THE DOCTRINAL BASIS AND THE ETHOS STATEMENTS;5.1.2 FOSTER AND ENCOURAGE A RECOGNITION OF THE ESSENTIAL ONENESS OF THE CHURCH OF CHRIST AND AT THE SAME TIME A RECOGNITION OF THE LIBERTY OF EACH INDIVIDUAL CHURCH TO CONDUCT ITS WORK AND WORSHIP IN ACCORDANCE WITH ITS OWN INTERPRETATION OF THE TEACHING OF THE HOLY SCRIPTURE IN RELATION THERETO; AND5.1.3 TO PROMOTE UNITED TESTIMONY TO AND DEFEND THE BELIEFS SET FORTH IN THE DOCTRINAL BASIS

Activities: SUPPORT, ADVICE, AND RESOURCES TO AFFILIATED INDEPENDENT EVANGELICAL CHURCHES.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Acts As An Umbrella Or Resource Body
- **What:** Religious Activities
- **Who:** Other Charities Or Voluntary Bodies

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£1,698,084	£1,907,808	£1,938,143	25
2024-08-31	£1,878,399	£1,910,076	£2,147,867	23
2023-08-31	£2,177,698	£2,582,675	£2,179,544	20
2022-08-31	£1,266,703	£1,330,384	£2,584,521	19
2021-08-31	£1,725,590	£1,027,859	£2,648,202	20
2020-08-31	£1,410,966	£2,227,315	£1,950,471	18

Trustees

Name	Role	Appointed
Ian Jones	Chair	2017-12-01
BILL JAMES		2019-11-01
Colin Adams		2021-12-01
Greig Alistair Rush Ferguson		2023-12-01
IAN MACMICHAEL		2022-12-01
John Mark Russell		2019-12-01
MIKE KENDALL		2017-12-01
Mike Hitchings		2021-12-01
Ravi Srinivasan		2024-12-01
Richard Jeremy Brooks		2023-12-01
Rickey Raja		2024-12-01
Stephen Arthur Waud		2023-12-01

Accounts

Charity registration number 1168037 (England and Wales)

Charity registration number SC047080 (Scotland)

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025



FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Ian MacMichael (Chair) Greig Ferguson (Vice-Chair) Ian Jones Michael Kendall Jeremy Brooks Stephen Waud Mike Hitchings Colin Adams Rickey Raja Ravi Srinivasan Daf Cunningham Drew Waller	(Appointed 1 December 2024) (Appointed 1 December 2024) (Appointed 1 December 2025) (Appointed 1 December 2025)
Directors	John Stevens Adrian Reynolds Graham Beynon Andy Hunter Elinor Magowan Phil Topham Hannah Hutchinson	National Director Associate National Director Associate National Director Director for Scotland & North for England Director for Women's Ministry Executive Director Chief Operating Officer
Charity number (England and Wales)	1168037	
Charity number (Scotland)	SC047080	
Principal address	41 The Point Market Harborough Leicestershire LE16 7QU	
Auditor	Caladine Limited Chantry House 22 Upperton Road Eastbourne East Sussex BN21 1BF	
Bankers	CAF Bank Ltd 25 Kings Hill West Malling Kent ME19 4JQ	
Solicitors	Edward Connor Solicitors 10 The Point Market Harborough LE16 7QU	
Safeguarding advisors	Christian Safeguarding Services 6 Marshalsea Road London SE1 1HL	

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

CONTENTS

	Page
Trustees' report	1 - 6
Statement of trustees' responsibilities	7
Independent auditor's report	8 - 10
Statement of financial activities	11
Statement of financial position	12
Statement of cash flows	13
Notes to the financial statements	14 - 30

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2025

The trustees present their annual report and financial statements for the year ended 31 August 2025.

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 charity's Constitution, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) 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 objects of FIEC are to advance the evangelical Christian faith as expressed in the Doctrinal Basis of the Fellowship. These objects are furthered by:

- "Promoting the unity and welfare of congregations of Christian believers which are undenominational in constitution or which have come to occupy a position of detachment from the denominational bodies with which they had been associated ... church(es) finding their unity on the basis of the common adherence to the ... doctrinal basis..."
- "Fostering and encouraging recognition of the essential oneness of the Church of Christ and at the same time recognising the liberty of each individual congregation to conduct its work and worship in accordance with its own interpretation of the teaching of Holy Scripture."
- "Promoting united testimony to, and defending the beliefs set out in, the Doctrinal Basis."

The CIO charity objects are the same as the Legacy charity, with two clarifications. The 'congregations of Christian believers' are expressed in terms of 'churches of Christian believers'. In addition, churches find their unity on the basis of the common adherence to the doctrinal basis 'and the Ethos statements'.

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

Significant activities and achievements against objectives

FIEC's Trustees approved a Strategic Plan in June 2021, and it is that plan which is reviewed and revised to ensure the charity is meeting its strategic objectives.

Our work is shaped by our desire – encapsulated in the Strategic Plan – to help churches. We have evaluated what a healthy independent church looks like, and have sought to support independent churches in this task.

National Director John Stevens focuses on national engagement on behalf of FIEC and its churches.

The staff team that offers administrative support to the ministries of FIEC and our affiliated churches is overseen by Executive Director Phil Topham, who is also the conduit between the Senior Leadership Team (SLT) of FIEC and the Trustees. Hannah Hutchinson is the Chief Operating Officer and part of SLT serving as deputy to the Executive Director and managing the operational responsibility of the office team focusing on events, finances and administration. This has enabled the Executive Director to spend more time engaging with churches to encourage affiliation to the charity.

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

The work of FIEC can be summarised as follows:

- Providing good resources for churches and (especially) their leaders
- Ensuring pastors and their families are well-supported in their work and ministry
- Accrediting pastors for ministry in independent churches
- Raising up the next generation of pastors and gospel workers
- Encouraging church planting and church revitalisation
- Promoting Women's Ministry in FIEC churches
- Supporting churches with Intercultural Ministry
- Ensuring that FIEC meets contemporary theological challenges facing churches and pastors
- Recruiting churches to join FIEC

In 2024/25 the priorities included:

- Delivering the National Leaders' Conference in Blackpool
- Reimagining our Training Conference, called Journeys
- The first ever Church Planting conference called Planters
- More than 30 Local Conferences for pastors around the UK
- Delivering Thrive and The Ministry Wives Retreat for women in ministry
- Recruiting more Local Directors to help deliver FIEC's ministry in regions
- Continuing to envision churches to join FIEC as members of the Fellowship
- Planning a new Easter Event to start in 2026 called Rising Lights

Here are some of the achievements during the period:

1. New Church Affiliations

Central to the Strategic Plan is the growth of the Fellowship by adding more member churches. This is where our funding comes from as FIEC does not raise money from individuals. In this financial year we saw 24 churches join FIEC and six churches were started receiving Church Plant Recognition status.

2. Local Directors

We appointed Simon Medcroft as Local Director for Essex during the period. This continues to expand our team in line with the Strategic Plan. Plans to appoint into the East Midlands, Central England and Bristol were also drawn up in the period.

3. Ministry Cohorts

We launched a number of cohorts for church leaders this year. These are online gatherings designed to help leaders at different stages of ministry or with different specialisms (for example church planting). We also set up one for the wives of Church Planters, led by Sian Robinson.

4. Intercultural Ministry

We are continuing to help churches move forward in this area. There is widespread acknowledgement that communities are changing and we want to help churches respond to this. During this period we worked alongside A Passion for Life to hear from those reaching out to Muslim, Sikh, Hindu and Jewish people with the gospel

5. Church Support

Our Director for Smaller Churches has established a team to engage with those churches in the Fellowship with a membership of fewer than 35. We have also set up a newsletter for Church Planters and continue to support church plants with grants to set up their charitable status.

6. Events

We held our annual Leaders' Conference and more than 30 Local Conferences for church leaders. We established the Planters Conference for church planters in the period and reimagined our training conference, calling it Journeys. This is designed to help those looking to move into ministry. We also held our annual Thrive and Ministry Wives Retreats for women in ministry.

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Significant factors

Other developments and significant milestones during the period included:

- 7 churches closed, 2 resigned membership
- Church donations received for FIEC's General Fund of £123k
- 527 members of the Pastors' Network including 437 serving Pastors, 75 Itinerant Pastors, 6 Prospective Pastors and 9 Pastors-in-training
- 44,000 plays of the FIEC podcast In:Dependence
- 1078 attendees at the 2024 Leaders' Conference
- 71 at our Ministry Wives Retreat
- 35 women at Thrive
- 52 gathered at the first Planters Conference

Fundraising practices

Regulations require us to report each year on certain aspects of any fundraising by FIEC.

- FIEC does not use a professional fundraiser / commercial participator.
- The Trust Board approved a Statement of Fundraising Principles in January 2016 and a Fundraising Strategy in May 2016. It has not undertaken to be bound by any external voluntary scheme or standard, principally as it is not seeking donations from the general public. A review of compliance with the Trust Board Principles and Strategy is carried out annually by the FIEC Treasurer who reports to the Trust Board.
- There were no reported breaches of the above and no complaints were received during the period relating to fundraising.
- FIEC writes to acknowledge receipt of donations, sends supporters an annual thank you letter and produces an Annual Report for member churches and personal supporters.

Financial review

Total income in all funds was £1,698k (£1,878 in 2024), made up of donations, legacies and grants from trusts. Most significant are the donations from churches as this is FIEC's main source of fundraising. Affiliated church donations to unrestricted funds were £1,123k (£975k in 2024). Suggested donations are in line with the size of a church's membership and in the period were increased by 9%.

Donations from individuals to unrestricted funds were £26k (£128k in 2024). We are grateful to all who contribute in this way. We did not receive any legacies in the period.

Total expenditure was £1,908k (£1,910k in 2024 and £2,582k in 2023). The increase in 2025 from 2024 was owing to the increased number of ministry areas and therefore expenses increased.

Reserves policy

FIEC aims to maintain free reserves (Unrestricted Funds less unrestricted fixed assets, debtors and stock) at a level sufficient to cover three months' general expenditure, in order to give FIEC time to respond to unexpected developments. At the end of the period Available Unrestricted Funds were £583k, with three months budgeted expenditure for 2025/26 at £495k, meaning there are sufficient funds in free reserves to carry out FIECs planned program of ministry in the coming year.

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Major risks

The Trust Board examines the major risks facing the charity on at least an annual basis, with ongoing monitoring provided by the Senior Leadership Team. Where relevant, the Trust Board ensures there are action plans in place to mitigate the greatest risks to reduce their likelihood and potential impact.

Policies are in place for:

- Conflicts of Interest & Loyalty
- Hospitality
- Accepting or Refusing Donations
- General Data Protection Rules
- Health and Safety at Work
- Safeguarding
- Complaints
- Finance including travel and credit card use
- Risk management (and risk assessment)
- Working from Home
- Health and Wellbeing
- Use of FIEC offices and food hygiene
- Sexual Harassment Policy
- Salary and Benefits Policy

Numerous HR policies were also reviewed in the financial period 2024/25 including 'Complaints', 'Staff Salaries and Benefits', and 'Disaffiliation'.

Structure, governance and management

FIEC was constituted in November 1922 as an unincorporated organisation and became a Charitable Incorporated Organisation (CIO) with the same name and with similar charitable purposes in 2017. The CIO was registered with the Charity Commission on 5th July 2016 with the name under reference 1168037.

By Resolution of the Trust Board on 26th September 2017 the name of the charity number 263354 was changed from The Fellowship of Independent Evangelical Churches to The FIEC (Legacy) Charity. This is retained as a 'shell' charity, with an amended Constitution, solely for the purpose of dealing with the transfer of any potential future legacies left to the 'old' charity, for the benefit of the CIO charity.

In Scotland, FIEC was registered with the Office of the Scottish Charity Regulator (OSCR) under reference SC040111. On 10th January 2017, OSCR registered the FIEC CIO under a new reference SC047080 and contemporaneously deleted the 'old' charity. This was done in consultation with OSCR and following their advice.

Until 31 August 2017, FIEC was an unincorporated association with a Constitution as its governing document. Both under the unincorporated organisation and the CIO Constitution (as corporate successor to the FIEC from 1 September 2017), a general meeting of FIEC is held each November. This meeting has full responsibility for the direction of FIEC. Each affiliated church is entitled to appoint delegates to the general meeting, where major policy questions are decided and thereafter remitted to the Trust Board for executive action.

The trustees of the charity are the twelve members of the Trust Board. Potential Trust Board members are nominated by affiliated churches with an election at the general meeting each November of church delegates. Elected members serve for a period of three years and are eligible for re-election. In the event of a vacancy arising the Trust Board may co-opt a replacement member to serve until the next general meeting. This option was exercised during the period

The Trust Board has considered the general guidance issued by the Charity Commission on public benefit and in particular, its supplementary guidance on the advancement of religion for the public benefit.

Affiliated churches are required to register with the Charity Commission where their income exceeds £100,000 per annum and / or where constituted as a Charitable Incorporated Organisation. Otherwise, churches are not currently able to make a new registration with the Charity Commission due to the Charities (Exception from Registration) Regulations 1996 which are currently set to continue to apply until 31st March 2031 through The Charities (Exception from Registration)(Amendment) Regulations 2014.

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

On accepting new churches into membership of FIEC, the Trust Board policy is for churches to have governing documents that are capable of being registered with the Charity Commission. If these are not currently in place, they are expected to work to rectify this within two years (24 months) of joining as an affiliated church.

Members are elected at FIEC's general meeting each November and start their period of service from 1st December following. Trust Board Members who served as trustees during the period and up to the date of approval of this Report were:

Ian MacMichael (Chair)

Greig Ferguson (Vice-Chair)

Ian Jones

Michael Kendall

Jeremy Brooks

Stephen Waud

Mike Hitchings

Colin Adams

Spencer Shaw (Resigned 30 November 2024)

Peter Campbell (Resigned 30 November 2024)

John Russell (Resigned 30 November 2025)

William James (Resigned 30 November 2025)

Rickey Raja (Appointed 1 December 2024)

Ravi Srinivasan (Appointed 1 December 2024)

Daf Cunningham (Appointed 1 December 2025)

Drew Waller (Appointed 1 December 2025)

Recruitment and appointment of trustees

At the general meeting in November 2024, Mike Hitchings and Colin Adams were elected for a further three-year term.

During the year, Ian Jones and Michael Kendall were the acting Chair and Vice-Chair respectively. They resigned these positions on 31 August 2025, being replaced on 1 September by Ian MacMichael (Chair) and Greig Ferguson (Vice-Chair).

New Trust Board members are informed of the Charity Commission guidance concerning the responsibilities of trustees and given an introductory presentation on the role of trustees. The Trust Board keeps under review the most appropriate means of ensuring regular, ongoing training for Trust Board members, including making training a part of their termly gatherings.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Organisational structure

The Trust Board is responsible for the governance and policy for FIEC. The implementation of the policy and the day to day management is delegated to the National Director, who is appointed by the Trust Board and approved by the general meeting. John Stevens has been in post as National Director since 2010 and is part of the Senior Leadership Team. In addition to the FIEC National Director there are directors appointed by him with specific responsibilities. During this period the following Directors also served in the Senior Leadership Team:

Associate National Director - Adrian Reynolds

Associate National Director - Graham Beynon

Director for Scotland & North of England - Andy Hunter

Director for Women's Ministry - Elinor Magowan

Executive Director - Phil Topham

Chief Operating Officer – Hannah Hutchinson

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

The Senior Leadership Team is assisted in carrying out its responsibilities by other staff and a number of voluntary advisory teams which provide advice and expertise. The National Recognition Team is established by the Trust Board with the assistance of the National Director to advise the Trust Board on churches to be admitted as members of FIEC and men to be admitted to the FIEC Pastors' Network.

The Senior Leadership Team meets weekly to discuss and implement policy and practical matters across the organisation. The other ministry staff meet in smaller groups to deliver ministry – the regional directors under the leadership of Graham Beynon (Associate National Director) and the other ministers under the leadership of Adrian Reynolds (Associate National Director). In addition there are a number of teams meeting to discuss, facilitate and lead of key areas of work e.g. intercultural team, theology team, women's ministry team, operational team, leadership team, Leaders' Conference team, Rising Lights team, resources team etc.

The Trust Board are members of The Fellowship Property Trust (which is a separate charity and company, and which prepares its own accounts) and as such, they appoint trustees to the Board of The Fellowship Property Trust.

The trustees' report was approved by the Board of Trustees.



Ian MacMichael (Chair)
Chair

21 May 2026

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2025

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

The law applicable to charities in England and Wales and in Scotland requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the provisions of the trust deed. 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.

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Opinion

We have audited the financial statements of Fellowship of Independent Evangelical Churches (the 'charity') for the year ended 31 August 2025 which comprise the statement of financial activities, the statement of financial position, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 charity's affairs as at 31 August 2025 and of its incoming resources and application of resources, 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 Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, 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 trustees 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 charity'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 trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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.

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Charities Act 2011 and employment legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Audit response to risks identified

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and relevant regulators

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements 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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Caladine

Caladine Limited, Statutory Auditor
Chartered Certified Accountants
Chantry House
22 Upperton Road
Eastbourne
East Sussex
BN21 1BF

21 May 2026

Caladine Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2025

		Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
	Notes						
Income from:							
Donations and legacies	3	1,266,002	78,474	1,344,476	1,269,169	318,525	1,587,694
Charitable activities	4	324,352	1,040	325,392	255,187	-	255,187
Investments	5	27,159	-	27,159	35,125	-	35,125
Other income	6	1,057	-	1,057	393	-	393
Total income		1,618,570	79,514	1,698,084	1,559,874	318,525	1,878,399
Expenditure on:							
Charitable activities	7	1,729,400	178,408	1,907,808	1,673,544	235,550	1,909,094
Other expenditure	13	-	-	-	982	-	982
Total expenditure		1,729,400	178,408	1,907,808	1,674,526	235,550	1,910,076
Net expenditure		(110,830)	(98,894)	(209,724)	(114,652)	82,975	(31,677)
Transfers between funds	22	(11,244)	11,244	-	-	-	-
Net movement in funds	10	(122,074)	(87,650)	(209,724)	(114,652)	82,975	(31,677)
Reconciliation of funds:							
Fund balances at 1 September 2024		1,349,911	797,956	2,147,867	1,464,563	714,981	2,179,544
Fund balances at 31 August 2025		1,227,837	710,306	1,938,143	1,349,911	797,956	2,147,867

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

STATEMENT OF FINANCIAL POSITION

AS AT 31 AUGUST 2025

	Notes	2025 £	£	2024 £	£
Fixed assets					
Property, plant and equipment	15		877,480		880,756
Current assets					
Inventories	16	-		716	
Trade and other receivables	17	151,284		461,990	
Cash at bank and in hand		1,345,353		1,129,738	
		1,496,637		1,592,444	
Current liabilities	18	(415,974)		(275,333)	
Net current assets			1,080,663		1,317,111
Total assets less current liabilities			1,958,143		2,197,867
Non-current liabilities	19		(20,000)		(50,000)
Net assets			1,938,143		2,147,867
The funds of the charity					
Restricted income funds	22		710,306		797,956
Unrestricted funds	23		1,227,837		1,349,911
			1,938,143		2,147,867

The financial statements were approved by the trustees on 21 May 2026



Ian MacMichael (Chair)
Chair

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	27		202,767		(342,210)
Investing activities					
Purchase of property, plant and equipment		(14,311)		(15,918)	
Proceeds from disposal of property, plant and equipment		-		709	
Investment income received		27,159		35,125	
Net cash generated from investing activities			12,848		19,916
Net increase/(decrease) in cash and cash equivalents			215,615		(322,294)
Cash and cash equivalents at beginning of year			1,129,738		1,452,032
Cash and cash equivalents at end of year			1,345,353		1,129,738

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies

Charity information

Fellowship of Independent Evangelical Churches is a CIO with cross border registration in England and Wales, and Scotland.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the charity's constitution, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees 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 trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors 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.

1.4 Income

Income is recognised when the charity 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 charity 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 charity 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.

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies (Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Property, plant and equipment are capitalised only if they are over the value of £500, all other items are accounted for as expenditure.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Freehold land and buildings	1% straight line
Fixtures and fittings	20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of non-current assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 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.

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies (Continued)

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Income from donations and legacies

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Donations and gifts	1,186,874	78,474	1,265,348	1,142,290	318,525	1,460,815
Legacies	78,713	-	78,713	-	-	-
Grants	415	-	415	126,879	-	126,879
	<u>1,266,002</u>	<u>78,474</u>	<u>1,344,476</u>	<u>1,269,169</u>	<u>318,525</u>	<u>1,587,694</u>
Donations and gifts						
Churches	1,122,781	16,419	1,139,200	975,012	262,729	1,237,741
Individuals	25,908	55,296	81,204	127,804	51,975	179,779
Other	7,139	1,500	8,639	9,488	-	9,488
Gift Aid	5,472	3,206	8,678	5,041	2,966	8,007
Preaching Honoraria	25,574	2,053	27,627	24,945	855	25,800
	<u>1,186,874</u>	<u>78,474</u>	<u>1,265,348</u>	<u>1,142,290</u>	<u>318,525</u>	<u>1,460,815</u>

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

4 Income from charitable activities

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Courses and conferences						
Courses and conference fees	46,089	-	46,089	41,785	-	41,785
Leaders Conference	265,983	1,040	267,023	210,085	-	210,085
Publications and literature						
Primer	-	-	-	350	-	350
Rental income						
Rent of 41 The Point	12,280	-	12,280	2,967	-	2,967
	<u>324,352</u>	<u>1,040</u>	<u>325,392</u>	<u>255,187</u>	<u>-</u>	<u>255,187</u>

5 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	<u>27,159</u>	<u>35,125</u>

6 Other income

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Other income	<u>1,057</u>	<u>393</u>

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

7 Expenditure on charitable activities

	Church Training and support information		Outreach	Other evangelical organisation support	Develop- ment	Total
	2025 £	2025 £	2025 £	2025 £	2025 £	2025 £
Direct costs						
Staff costs	759,971	210,965	27,342	33,866	3,715	1,035,859
Establishment costs	25,884	7,185	931	1,153	120	35,273
Staff travel	63,101	17,704	2,270	2,812	292	86,179
Care and recognition of churches	111,361	-	-	-	-	111,361
Leaders Conference	253,555	-	-	-	-	253,555
Women's ministry	16,785	-	-	-	-	16,785
Professional advice	-	13,886	-	-	-	13,886
Media and publicity	-	9,485	-	-	-	9,485
Primer	-	568	-	-	-	568
Other conferences	43,109	18,720	15,112	570	59	77,570
Support of Affinity	-	-	-	18,590	-	18,590
	<u>1,273,766</u>	<u>278,513</u>	<u>45,655</u>	<u>56,991</u>	<u>4,186</u>	<u>1,659,111</u>
Grant funding of activities (see note 8)	-	500	6,300	-	6,061	12,861
Share of support and governance costs (see note 9)						
Support	154,068	42,769	5,543	6,865	520	209,765
Governance	19,131	5,311	688	852	89	26,071
	<u>1,446,965</u>	<u>327,093</u>	<u>58,186</u>	<u>64,708</u>	<u>10,856</u>	<u>1,907,808</u>
Analysis by fund						
Unrestricted funds	1,312,130	299,820	51,030	61,915	4,505	1,729,400
Restricted funds	134,835	27,273	7,156	2,793	6,351	178,408
	<u>1,446,965</u>	<u>327,093</u>	<u>58,186</u>	<u>64,708</u>	<u>10,856</u>	<u>1,907,808</u>

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

7 Expenditure on charitable activities (Continued)

Previous year:	Church Training and support information		Outreach	Other evangelical organisation support	Development	Total
	2024	2024	2024	2024	2024	2024
	£	£	£	£	£	£
Direct costs						
Staff costs	685,255	171,429	25,434	32,872	3,214	918,204
Establishment costs	28,927	7,237	1,074	1,388	136	38,762
Staff travel	59,245	14,822	2,199	2,842	278	79,386
Care and recognition of churches	29,749	-	-	-	-	29,749
Leaders Conference	213,701	-	-	-	-	213,701
Women's ministry	2,090	-	-	-	-	2,090
Professional advice	-	12,740	-	-	-	12,740
Media and publicity	-	9,467	-	-	-	9,467
Primer	-	5,760	-	-	-	5,760
Hub Conference	-	19,288	-	-	-	19,288
Other conferences	-	52,148	-	-	-	52,148
Representation of other bodies	-	-	-	238	-	238
Support of Affinity	-	-	-	19,092	-	19,092
	1,018,967	292,891	28,707	56,432	3,628	1,400,625
Grant funding of activities (see note 8)	1,150	39,085	142,415	150,000	11,135	343,785
Share of support and governance costs (see note 9)						
Support	106,091	26,540	3,938	5,091	497	142,157
Governance	16,812	4,206	624	806	79	22,527
	1,143,020	362,722	175,684	212,329	15,339	1,909,094
Analysis by fund						
Unrestricted funds	1,110,701	315,839	32,112	210,834	4,058	1,673,544
Restricted funds	32,319	46,883	143,572	1,495	11,281	235,550
	1,143,020	362,722	175,684	212,329	15,339	1,909,094

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

8 Grants payable

		Training and information 2025 £	Outreach 2025 £	Develop- ment 2025 £	Total 2025 £
Grants to institutions:					
Grants to FIEC churches		-	6,300	-	6,300
		-	6,300	-	6,300
Grants to individuals		500	-	6,061	6,561
		500	6,300	6,061	12,861
Previous year:					
	Church Training and support information	Outreach	Other evangelical organisation support	Develop- ment	Total
	2024 £	2024 £	2024 £	2024 £	2024 £
Grants to institutions:					
Grants to FIEC churches	-	39,085	140,300	-	189,995
Passion for Life	-	-	-	150,000	150,000
	-	39,085	140,300	150,000	339,995
Grants to individuals	1,150	-	2,115	-	3,790
	1,150	39,085	142,415	150,000	343,785

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

9 Support costs allocated to activities

	2025 £	2024 £
Depreciation	17,587	15,746
Consumables	27,596	25,771
Information technology	147,355	86,348
Other costs	17,226	14,292
Governance costs	26,072	22,527
	<u>235,836</u>	<u>164,684</u>

Analysed between:

Church support	173,199	122,903
Training and information	48,080	30,746
Outreach	6,231	4,562
Other evangelical organisation support	7,717	5,897
Development	609	576
	<u>235,836</u>	<u>164,684</u>

Governance costs comprise:

	2025 £	2024 £
Audit fees	7,740	7,740
Accountancy	3,074	3,060
Trust board meeting expenses	15,258	11,727
	<u>26,072</u>	<u>22,527</u>

10 Net movement in funds

	2025 £	2024 £
The net movement in funds is stated after charging/(crediting):		
Fees payable to the charity's auditor:		
- for the audit of the charity's financial statements	7,740	7,740
- for other financial services	3,074	3,060
Depreciation of owned property, plant and equipment	17,587	15,746
Loss on disposal of property, plant and equipment	-	982
	<u></u>	<u></u>

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year.

9 trustees were reimbursed meeting expenses (or had their expenses met by the charity) of £13,130 (2024 - 12 were reimbursed £11,278).

No trustees had any other expenses reimbursed or met by the charity in the year (2024 - none).

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

12 Employees

The average monthly number of employees during the year was:

2025 Number	2024 Number
25	23

Employment costs

	2025 £	2024 £
Wages and salaries	861,324	770,273
Social security costs	86,545	73,896
Other pension costs	87,990	74,035
	1,035,859	918,204

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2025 Number	2024 Number
£70,001 to £80,000	1	1

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2025 £	2024 £
Aggregate compensation	466,159	450,995

13 Other expenditure

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Net loss on disposal of tangible fixed assets	-	982

14 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

15 Property, plant and equipment

	Freehold land and buildings £	Fixtures and fittings £	Total £
Cost			
At 1 September 2024	903,904	38,316	942,220
Additions	-	14,311	14,311
At 31 August 2025	903,904	52,627	956,531
Depreciation and impairment			
At 1 September 2024	44,664	16,800	61,464
Depreciation charged in the year	7,444	10,143	17,587
At 31 August 2025	52,108	26,943	79,051
Carrying amount			
At 31 August 2025	851,796	25,684	877,480
At 31 August 2024	859,240	21,516	880,756

16 Inventories

	2025 £	2024 £
Finished goods and goods for resale	-	716

17 Trade and other receivables

	2025 £	2024 £
Amounts falling due within one year:		
Trade receivables	2,891	64
Prepayments and accrued income	148,393	461,926
	151,284	461,990

18 Current liabilities

	Notes	2025 £	2024 £
Other taxation and social security		4,933	19,591
Deferred income	20	335,769	190,523
Trade payables		32,427	-
Other payables		30,000	50,000
Accruals		12,845	15,219
		415,974	275,333

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

19 Non-current liabilities

	2025 £	2024 £
Other payables	20,000	50,000

20 Deferred income

	2025 £	2024 £
Other deferred income	335,769	190,523

Deferred income is included in the financial statements as follows:

	2025 £	2024 £
Deferred income is included within:		
Current liabilities	335,769	190,523
Movements in the year:		
Deferred income at 1 September 2024	190,523	153,800
Released from previous periods	(190,523)	(153,800)
Resources deferred in the year	335,769	190,523
Deferred income at 31 August 2025	335,769	190,523

Deferred income is comprised of monies received in advanced for the FIEC Leadership Conference held in November 2025 and Rising Lights conference held in April 2026.

21 Retirement benefit schemes

	2025 £	2024 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	87,990	74,035

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

22 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 September 2024	Incoming resources	Resources expended	Transfers	At 31 August 2025
	£	£	£	£	£
Benevolent fund	11,766	-	(270)	-	11,496
Mission fund	46,630	3,917	(6,339)	-	44,208
Dalling memorial fund	25,151	-	-	-	25,151
Philip Henman trust fund	121,205	-	-	-	121,205
Scottish legacy fund	23,373	-	(23,373)	-	-
FIEC loan fund	74,735	-	-	-	74,735
Training fund	49,381	50,834	(500)	-	99,715
Connect for growth	3,710	-	(731)	-	2,979
Office property fund	124,212	-	(2,299)	-	121,913
London Directors fund	111,390	2,053	(61,464)	-	51,979
Bursary fund	6,403	2,710	(6,061)	-	3,052
McAllister Memorial fund	200,000	-	(46,127)	-	153,873
Church Governance Advisor Fund	-	20,000	(31,244)	11,244	-
	<u>797,956</u>	<u>79,514</u>	<u>(178,408)</u>	<u>11,244</u>	<u>710,306</u>

Previous year:	At 1 September 2023	Incoming resources	Resources expended	Transfers	At 31 August 2024
	£	£	£	£	£
Benevolent fund	1,806	11,110	(1,150)	-	11,766
Mission fund	142,715	44,215	(140,300)	-	46,630
Dalling memorial fund	24,701	450	-	-	25,151
Philip Henman trust fund	121,205	-	-	-	121,205
Scottish legacy fund	23,373	-	-	-	23,373
FIEC loan fund	74,735	-	-	-	74,735
Training fund	29,204	59,262	(39,085)	-	49,381
Connect for growth	5,825	-	(2,115)	-	3,710
Office property fund	126,512	-	(2,300)	-	124,212
London Directors fund	150,000	855	(39,465)	-	111,390
Bursary fund	14,905	2,633	(11,135)	-	6,403
McAllister Memorial fund	-	200,000	-	-	200,000
	<u>714,981</u>	<u>318,525</u>	<u>(235,550)</u>	<u>-</u>	<u>797,956</u>

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

22 Restricted funds (Continued)

Benevolent fund - used to make gifts to ministers, partners, and affiliated church members, who are considered to be in need of financial assistance.

Mission fund - to provide support for church planting initiatives and other outreach initiatives within the UK.

Dalling memorial fund - to provide support to accredited ministers and their families in time of illness.

Philip Henman trust fund - supporting the work and outreach of the Fellowship.

Scottish legacy fund - to provide support for the work of the Fellowship in Scotland.

Church Hardship Fund – to provide support for churches which are struggling financially. The balance on the Church Hardship fund was transferred to the new Bursary fund in June 2023 when all the allocated grants had been sent out.

Development fund - meeting costs for specific projects made known by FIEC to develop the fundraising and administrative support functions of FIEC.

FIEC loan fund - this fund was previously used for making loans available to church plants and building projects to advance gospel work. The fund has now been converted (with Charity Commission approval) into a grant fund within the

Mission fund so there will be no further loan applications accepted.

Training fund - to provide financial support to men and women from within the FIEC family of churches to assist in their formal training for gospel ministries. The Fund also provides help to FIEC Churches in establishing ministry posts as well as evangelism and church planting initiatives involving training appointments.

Connect for growth - to provide support for our relationship with the Mississippi Baptist Convention in the United States which sees church members from both sides of the Atlantic visit each other's churches to provide support with ministry and mission.

Office property fund - established with money given specifically for the purchase of the Fellowship's office and through transfers from other funds which were restricted as to their use for property purchase.

London Directors fund - Funds from a closed church to be used within London and the surrounding area which have been ringfenced by the Trustees to fund the London Director's salary for up to a period of three years

Bursary fund - to provide help for churches leaders to attend FIEC conferences.

Church Governance Advisor Fund - to provide financial support for the post of Church Governance Advisor at FIEC.

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

23 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 September 2024	Incoming resources	Resources expended	Transfers	At 31 August 2025
	£	£	£	£	£
Local Directors fund	164,526	21,784	(180,865)	-	5,445
Capital fund	39,994	-	-	-	39,994
Bursary fund	-	-	-	5,000	5,000
General funds	1,145,391	1,596,786	(1,548,535)	(16,244)	1,177,398
	<u>1,349,911</u>	<u>1,618,570</u>	<u>(1,729,400)</u>	<u>(11,244)</u>	<u>1,227,837</u>

Previous year:	At 1 September 2023	Incoming resources	Resources expended	Transfers	At 31 August 2024
	£	£	£	£	£
Local Directors fund	119,618	145,588	(100,680)	-	164,526
Capital fund	39,994	-	-	-	39,994
General funds	1,304,951	1,414,286	(1,573,846)	-	1,145,391
	<u>1,464,563</u>	<u>1,559,874</u>	<u>(1,674,526)</u>	<u>-</u>	<u>1,349,911</u>

Local Directors fund - Funds ringfenced by the Trustees to fund the Local Directors salary costs and expenses, less associated income, for three years.

Capital fund - Funds ringfenced by the Trustees to fund replacement of Capital equipment.

Bursary fund - Following a surplus from the Leaders' Conference 2024, the Trustee's designated £5,000 to provide help for church leaders to attend future FIEC conferences.

24 Analysis of net assets between funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
At 31 August 2025:			
Property, plant and equipment	877,480	-	877,480
Net current assets	370,357	710,306	1,080,663
Long term liabilities	(20,000)	-	(20,000)
	<u>1,227,837</u>	<u>710,306</u>	<u>1,938,143</u>

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

24 Analysis of net assets between funds (Continued)

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 August 2024:			
Property, plant and equipment	756,544	124,212	880,756
Net current assets	643,367	673,744	1,317,111
Long term liabilities	(50,000)	-	(50,000)
	<u>1,349,911</u>	<u>797,956</u>	<u>2,147,867</u>

25 Operating lease commitments

Lessee

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2025 £	2024 £
Within one year	2,008	2,008
Between two and five years	3,454	5,462
	<u>5,462</u>	<u>7,470</u>

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

26 Related party transactions

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

The trustees /directors of The Fellowship Property Trust are appointed by members of the charity. During the year ended 31 August 2025 FIEC charged rent to the Trust of £0 (2024 - £667) and various expenses (including staff salaries) of £24,111 (2024: £27,172).

The Fellowship Property Trust held properties in Trust for FIEC member churches.

Members of Edward Connor Solicitors (ECS) are Trustees of FIEC from time to time. During the year ended 31 August 2025 the charity received rental income of £1,000 (2024: £0) and recharged various expenses (including staff salaries) of £19,244 (2024: £20,946). In addition, FIEC received legal advice from ECS and incurred other various costs of £13,842 (2024: £15,145).

27 Cash generated from operations	2025 £	2024 £
Deficit for the year	(209,724)	(31,677)
Adjustments for:		
Investment income recognised in statement of financial activities	(27,159)	(35,125)
Loss on disposal of property, plant and equipment	-	982
Depreciation and impairment of fixed assets	17,587	15,746
Movements in working capital:		
Decrease in inventories	716	5,726
Decrease/(increase) in trade and other receivables	310,706	(396,027)
(Decrease)/increase in trade and other payables	(34,605)	61,442
Increase in deferred income	145,246	36,723
Cash generated from/(absorbed by) operations	202,767	(342,210)

28 Analysis of changes in net funds

The charity had no material debt during the year.

Accounts

Charity registration number 1168037 (England and Wales)

Charity registration number SC047080 (Scotland)

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024



FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Ian Jones (Chair)	
	Greig Ferguson	(Appointed 1 December 2023)
	Jeremy Brooks	(Appointed 1 December 2023)
	Stephen Waud	(Appointed 1 December 2023)
	Ian MacMichael	
	Mike Hitchings	
	Peter Campbell	
	Colin Adams	
	John Russell	
	William James	
	Michael Kendall (Vice-Chair)	
	Rickey Raja	(Appointed 1 December 2024)
Directors	Ravi Srinivasan	(Appointed 1 December 2024)
	John Stevens	National Director
	Adrian Reynolds	Head for National Ministry
	Graham Beynon	Head for Local Ministry
	Andy Hunter	Director for Scotland & North for England
	Trevor Archer (resigned)	Director for London
	Johnny Prime	Director for London
	Daniel Grimwade	Director for Yorkshire
	Gareth Lewis	Director for South Wales
	Mark Howson	Director for Suffolk
	Paul Mallard	Director for West Midlands
	Elinor Magowan & Rachel Sloan	Directors for Women's Ministry
	Jonathan Bond	Director for Smaller Churches
	Ben Midgley	Director for North Wales
	Jon Samuel	Director for Hampshire & Dorset
	Simon Medcroft	Director for Essex
	Mark Howson	Director for Suffolk
	Phil Topham	Executive Director
	Hannah Hutchinson	Chief Operating Officer
Charity number (England and Wales)	1168037	
Charity number (Scotland)	SC047080	
Principal address	41 The Point Market Harborough Leicestershire LE16 7QU	
Auditor	Caladine Limited Chantry House 22 Upperton Road Eastbourne East Sussex BN21 1BF	

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

LEGAL AND ADMINISTRATIVE INFORMATION

Bankers

CAF Bank Ltd
25 Kings Hill
West Malling
Kent
ME19 4JQ

Solicitors

Edward Connor Solicitors
10 The Point
Market Harborough
LE16 7QU

Safeguarding advisors

Christian Safeguarding Services
6 Marshalsea Road
London
SE1 1HL

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

CONTENTS

	Page
Trustees' report	1 - 6
Statement of trustees' responsibilities	7
Independent auditor's report	8 - 10
Statement of financial activities	11
Statement of financial position	12
Statement of cash flows	13
Notes to the financial statements	14 - 31

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2024

The trustees present their annual report and financial statements for the year ended 31 August 2024.

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 charity's Constitution, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) 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 objects of FIEC are to advance the evangelical Christian faith as expressed in the Doctrinal Basis of the Fellowship. These objects are furthered by:

- "Promoting the unity and welfare of congregations of Christian believers which are undenominational in constitution or which have come to occupy a position of detachment from the denominational bodies with which they had been associated ... church(es) finding their unity on the basis of the common adherence to the ... doctrinal basis..."
- "Fostering and encouraging recognition of the essential oneness of the Church of Christ and at the same time recognising the liberty of each individual congregation to conduct its work and worship in accordance with its own interpretation of the teaching of Holy Scripture."
- "Promoting united testimony to, and defending the beliefs set out in, the Doctrinal Basis."

The CIO charity objects are the same as the Legacy charity, with two clarifications. The 'congregations of Christian believers' are expressed in terms of 'churches of Christian believers'. In addition, churches find their unity on the basis of the common adherence to the doctrinal basis 'and the Ethos statements'.

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

Significant activities and achievements against objectives

FIEC's Trustees approved a Strategic Plan in June 2021, and it is that plan which is reviewed and revised to ensure the charity is meeting its strategic objectives.

Our work is shaped by our desire – encapsulated in the Strategic Plan – to help churches. We have evaluated what a healthy independent church looks like, and have sought to support independent churches in this task.

At the heart of this plan is the split of our ministries into two areas of work: national ministries – by which we mean content and resources to churches on a national level – overseen by Adrian Reynolds as Head of National Ministry. Then local ministries – by which we mean the relational work between churches and leaders, and also the Pastors' Network – overseen by Graham Beynon who began work on 1 September 2023.

National Director John Stevens focuses on national engagement on behalf of FIEC and its churches.

The staff team that offers administrative support to the ministries of FIEC and our affiliated churches is overseen by Executive Director Phil Topham, who is also the conduit between the Senior Leadership Team (SLT) of FIEC and the Trustees. Hannah Hutchinson is the Chief Operating Officer and part of SLT serving as deputy to the Executive Director and managing the operational responsibility of the office team focusing on events, finances and administration. This has enabled the Executive Director to spend more time engaging with churches to encourage affiliation to the charity.

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

The work of FIEC can be summarised as follows:

- Providing good resources for churches and (especially) their leaders
- Ensuring pastors and their families are well-supported in their work and ministry
- Accrediting pastors for ministry in independent churches
- Raising up the next generation of pastors and gospel workers
- Encouraging church planting and church revitalisation
- Promoting Women's Ministry in FIEC churches
- Ensuring that FIEC meets contemporary theological challenges facing churches and pastors
- Recruiting churches to join FIEC

In 23/24 the priorities included:

- Delivering our national conference in Blackpool which had nearly 1000 attendees
- Continuing to develop our resources through a number of teams to serve churches and their leaders
- To deliver our conference for those considering ministry or training for ministry
- Delivering 27 Local Conferences for church leaders
- Delivering Thrive and The Ministry Wives Retreat for women in ministry
- Recruiting regional directors to serve churches in different areas of the country
- Having a secondment into a governance role to provide advice to churches around policies, safeguarding and their running
- Continuing to see new churches join the FIEC

Here are some of the achievements during the period:

1. Delivering our National Leaders' Conference

We gathered once again in The Winter Gardens, Blackpool, with almost 1000 church leaders represented in one place. The November 2023 Conference took the theme "Ministry of Justice" and focused on the righteousness of God in a broken world. The conference is for leaders of all kinds in the local church with 20% of those attending being women.

2. Delivering 27 Local Conferences for leaders

The conferences during the period took the theme of our everyday ministry from the main Leaders' Conference and considered "justice". A key way FIEC helps its churches is by encouraging them to connect with one another. This meant that the Local Conferences encouraged churches in different geographical areas to consider this partnership. A number of local directors and ministry directors led the local conferences which were supported by the operational team in FIEC.

3. Hull & East Yorkshire Fund

We received £129k as a legacy in the previous financial year for use in East Yorkshire and The Humber. We gathered together churches and ministries in the area inviting them to apply for a portion of the funds. These funds were distributed to churches inside and outside the FIEC in line with the legacy during the period, in a process managed by our Director for Yorkshire, Daniel Grimwade and our COO Hannah Hutchinson.

4. Seeing new Churches join FIEC

25 churches were accepted into membership of FIEC in the period. They have joined us from a range of backgrounds. There was also the recognition of nine new church plants.

5. Delivering Conferences for Women in Ministry

Thrive and The Ministry Wives Retreat took place in April and May 2024. The former is aimed at women serving in pastoral ministry positions in churches. The latter is designed to support those married to men in ministry in FIEC churches. They equip women in ministry with Bible teaching, seminars and relational support.

6. Appointing Local Ministry Directors

Our Strategic Plan includes the vision to raise up Ministry Directors for different areas of the UK to serve our affiliated churches on the ground. During the period we appointed Local Directors for Hampshire & Dorset and North Wales – each serving one day a week. The Local Directors will serve FIEC by galvanising ministry and fostering good connections between churches in different localities.

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

Significant factors

Other developments and significant milestones during the period included:

- 3 churches closed, 9 resigned membership
- Church donations received for FIEC's General Fund of £975k
- 533 members of the Pastors' Network
- 17 Pastors added to the Network this year
- FIEC Website visited by 40,700 users
- 60,000 plays of the FIEC Podcast In: Dependence with 71,000 plays on YouTube

Fundraising practices

Regulations require us to report each year on certain aspects of any fundraising by FIEC.

- FIEC does not use a professional fundraiser / commercial participator.
- The Trust Board approved a Statement of Fundraising Principles in January 2016 and a Fundraising Strategy in May 2016. It has not undertaken to be bound by any external voluntary scheme or standard, principally as it is not seeking donations from the general public. A review of compliance with the Trust Board Principles and Strategy is carried out annually by the FIEC Treasurer who reports to the Trust Board.
- There were no reported breaches of the above and no complaints were received during the period relating to fundraising.
- FIEC writes to acknowledge receipt of donations, sends supporters an annual thank you letter and produces a glossy magazine to review the year for personal supporters.

Financial review

Total income in all funds was £1,878k (£2,178k in 2023), made up of donations and grants from trusts. Most significant are the donations from churches as this is FIEC's main source of fundraising. Affiliated church donations to unrestricted funds were £975K (£856K in 2023). Suggested donations are in line with the size of a church's membership and in the period were increased by 10% as we struck a balance between the cost of living crisis and two years of 0% rises during the Covid-19 pandemic of 2020 and 2021.

Donations from individuals to unrestricted funds were £128k (£52k in 2023). We are grateful to all who contribute in this way. We did not receive any legacies in the period.

Total expenditure was £1,910k (£2,582k in 2023 and £1,330k in 2022). The increase in 2023 from 2022 was owing to the increased number of ministry areas and therefore expenses increased.

Reserves policy

FIEC aims to maintain free reserves (Unrestricted Funds less unrestricted fixed assets, debtors and stock) at a level sufficient to cover three months' general expenditure, in order to give FIEC time to respond to unexpected developments. At the end of the period Available Unrestricted Funds were around six months' general expenditure. A deficit budget was planned for 2023/24 which will reduce the level of the reserves further, as FIEC wants to invest in ministries, not hoard funds.

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

Major risks

The Trust Board examines the major risks facing the charity on at least an annual basis, with ongoing monitoring provided by the Senior Leadership Team. Where relevant, the Trust Board ensures there are action plans in place to mitigate the greatest risks to reduce their likelihood and potential impact.

Policies are in place for:

- Conflicts of Interest & Loyalty
- Hospitality
- Accepting or Refusing Donations
- General Data Protection Rules
- Health and Safety at Work (incorporating Covid-Secure working)
- Safeguarding
- Complaints
- Finance including travel and credit card use
- Risk management (and risk assessment)
- Working from Home
- Health and Wellbeing
- Use of FIEC offices and food hygiene

Numerous HR policies were also been revised in June 2024 including extended leave; holiday entitlement; maternity, paternity, shared leave and adoption; other leave; sickness absence and flexible working.

Structure, governance and management

FIEC was constituted in November 1922 as an unincorporated organisation and became a Charitable Incorporated Organisation (CIO) with the same name and with similar charitable purposes in 2017. The CIO was registered with the Charity Commission on 5th July 2016 with the name under reference 1168037.

By Resolution of the Trust Board on 26th September 2017 the name of the charity number 263354 was changed from The Fellowship of Independent Evangelical Churches to The FIEC (Legacy) Charity. This is retained as a 'shell' charity, with an amended Constitution, solely for the purpose of dealing with the transfer of any potential future legacies left to the 'old' charity, for the benefit of the CIO charity.

In Scotland, FIEC was registered with the Office of the Scottish Charity Regulator (OSCR) under reference SC040111. On 10th January 2017, OSCR registered the FIEC CIO under a new reference SC047080 and contemporaneously deleted the 'old' charity. This was done in consultation with OSCR and following their advice.

Until 31 August 2017, FIEC was an unincorporated association with a Constitution as its governing document. Both under the unincorporated organisation and the CIO Constitution (as corporate successor to the FIEC from 1 September 2017), a general meeting of FIEC is held each November. This meeting has full responsibility for the direction of FIEC. Each affiliated church is entitled to appoint delegates to the general meeting, where major policy questions are decided and thereafter remitted to the Trust Board for executive action.

The trustees of the charity are the twelve members of the Trust Board. Potential Trust Board members are nominated by affiliated churches with an election at the general meeting each November of church delegates. Elected members serve for a period of three years and are eligible for re-election. In the event of a vacancy arising the Trust Board may co-opt a replacement member to serve until the next general meeting. This option was exercised during the period

The Trust Board has considered the general guidance issued by the Charity Commission on public benefit and in particular, its supplementary guidance on the advancement of religion for the public benefit.

Affiliated churches are required to register with the Charity Commission where their income exceeds £100,000 per annum and / or where constituted as a Charitable Incorporated Organisation. Otherwise, churches are not currently able to make a new registration with the Charity Commission due to the Charities (Exception from Registration) Regulations 1996 which are currently set to continue to apply until 31st March 2031 through The Charities (Exception from Registration)(Amendment) Regulations 2014.

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

On accepting new churches into membership of FIEC, the Trust Board policy is for churches to have governing documents that are capable of being registered with the Charity Commission. If these are not currently in place, they are expected to work to rectify this within two years (24 months) of joining as an affiliated church.

Members are elected at FIEC's general meeting each November and start their period of service from 1st December following. Trust Board Members who served as trustees during the period and up to the date of approval of this Report were:

Ian Jones (Chair)	
Greig Ferguson	(Appointed 1 December 2023)
Jeremy Brooks	(Appointed 1 December 2023)
Stephen Waud	(Appointed 1 December 2023)
Ian MacMichael	
Mike Hitchings	
Peter Campbell	
Colin Adams	
John Russell	
William James	
Michael Kendall (Vice-Chair)	
Spencer Shaw	(Appointed 17 January 2024 and resigned 30 November 2024)
Mark Lawrence	(Resigned 25 September 2023)
Timothy Diaper	(Resigned 30 November 2023)
Rickey Raja	(Appointed 1 December 2024)
Ravi Srinivasan	(Appointed 1 December 2024)

Recruitment and appointment of trustees

At the general meeting in November 2023, Ian Jones and Michael Kendall were elected for a further three-year term.

New Trust Board members are informed of the Charity Commission guidance concerning the responsibilities of trustees and given an introductory presentation on the role of trustees. The Trust Board keeps under review the most appropriate means of ensuring regular, ongoing training for Trust Board members, including making training a part of their termly gatherings.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

Organisational structure

The Trust Board is responsible for the governance and policy for FIEC. The implementation of the policy and the day to day management is delegated to the National Director, who is appointed by the Trust Board and approved by the general meeting. John Stevens has been in post as National Director since 2010. In addition to the FIEC National Director there are directors appointed by him with specific responsibilities. During this period the following Directors served:

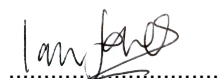
Head of National Ministry - Adrian Reynolds
Head of Local Ministry – Graham Beynon
Director for Scotland & North of England - Andy Hunter
Director for London - Trevor Archer (resigned)
Director for London - Johnny Prime
Director for Yorkshire - Daniel Grimwade
Director for South Wales - Gareth Lewis
Director for Suffolk - Mark Howson
Director for West Midlands - Paul Mallard
Directors for Women's Ministry - Elinor Magowan & Rachel Sloan
Director for Smaller Churches - Jonathan Bond
Director for North Wales - Ben Midgley
Director for Hampshire & Dorset - Jon Samuel
Director for Essex - Simon Medcroft
Director for Suffolk - Mark Howson
Executive Director - Phil Topham
Chief Operating Officer – Hannah Hutchinson

The Head of National Ministry (Adrian Reynolds), Head of Local Ministry (Graham Beynon), Director for Women's Ministry (Elinor Magowan), Director for Scotland & North of England (Andy Hunter) and Chief Operating Officer (Hannah Hutchinson) form the Senior Leadership Team along with the National Director (John Stevens) and Executive Director (Phil Topham). The Senior Leadership Team is assisted in carrying out its responsibilities by other staff and a number of voluntary advisory teams which provide advice and expertise. The National Recognition Team is established by the Trust Board with the assistance of the National Director to advise the Trust Board on churches to be admitted as members of FIEC and men to be admitted to the FIEC Pastors' Network.

The Senior Leadership Team meets weekly to discuss and implement policy and practical matters across the organisation. The other ministry staff meet in smaller groups to deliver ministry – the regional directors under the leadership of the Head of Local Ministries and the other ministers under the leadership of the Head of National Ministries. In addition there are a number of teams meeting to discuss, facilitate and lead of key areas of work e.g. intercultural team, theology team, women's ministry team, operational team, leadership team, Leaders' Conference team, resources team etc.

The Trust Board are members of The Fellowship Property Trust (which is a separate charity and company, and which prepares its own accounts) and as such, they appoint trustees to the Board of The Fellowship Property Trust.

The trustees' report was approved by the Board of Trustees.



Ian Jones (Chair)

Chair

Date: 21 March 2025

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2024

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

The law applicable to charities in England and Wales and in Scotland requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the trust deed. 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.

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Opinion

We have audited the financial statements of Fellowship of Independent Evangelical Churches (the 'charity') for the year ended 31 August 2024 which comprise the statement of financial activities, the statement of financial position, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 charity's affairs as at 31 August 2024 and of its incoming resources and application of resources, 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 Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, 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 trustees 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 charity'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 trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Charities Act 2011 and employment legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Audit response to risks identified

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and relevant regulators

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements 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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.



Caladine Limited

14 April 2025

**Chartered Certified Accountants
Statutory Auditor**

Chantry House
22 Upperton Road
Eastbourne
East Sussex
BN21 1BF

Caladine Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2024

		Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
	Notes						
Income and endowments from:							
Donations and legacies	3	1,269,169	318,525	1,587,694	989,063	932,468	1,921,531
Charitable activities	4	255,187	-	255,187	234,407	-	234,407
Investments	5	35,125	-	35,125	20,740	105	20,845
Other income	6	393	-	393	915	-	915
Total income		1,559,874	318,525	1,878,399	1,245,125	932,573	2,177,698
Expenditure on:							
Charitable activities	7	1,673,544	235,550	1,909,094	1,320,079	1,262,596	2,582,675
Other expenditure	13	982	-	982	-	-	-
Total expenditure		1,674,526	235,550	1,910,076	1,320,079	1,262,596	2,582,675
Net income/(expenditure) and movement in funds		(114,652)	82,975	(31,677)	(74,954)	(330,023)	(404,977)
Reconciliation of funds:							
Fund balances at 1 September 2023		1,464,563	714,981	2,179,544	1,539,517	1,045,004	2,584,521
Fund balances at 31 August 2024		1,349,911	797,956	2,147,867	1,464,563	714,981	2,179,544

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

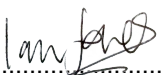
FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

STATEMENT OF FINANCIAL POSITION

AS AT 31 AUGUST 2024

		2024		2023	
	Notes	£	£	£	£
Fixed assets					
Property, plant and equipment	15		880,756		882,275
Current assets					
Inventories	16	716		6,442	
Trade and other receivables	17	461,990		65,963	
Cash at bank and in hand		1,129,738		1,452,032	
		<u>1,592,444</u>		<u>1,524,437</u>	
Current liabilities	18	(275,333)		(227,168)	
Net current assets			1,317,111		1,297,269
Total assets less current liabilities			2,197,867		2,179,544
Non-current liabilities	19	(50,000)			-
Net assets			<u>2,147,867</u>		<u>2,179,544</u>
The funds of the charity					
Restricted income funds	22	797,956		714,981	
Unrestricted funds	23	1,349,911		1,464,563	
		<u>2,147,867</u>		<u>2,179,544</u>	

The financial statements were approved by the trustees on 21 March 2025



Ian Jones (Chair)
Chair

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash absorbed by operations	27		(342,210)		(321,297)
Investing activities					
Purchase of property, plant and equipment		(15,918)		(8,748)	
Proceeds from disposal of property, plant and equipment		709		-	
Investment income received		35,125		20,845	
Net cash generated from investing activities			19,916		12,097
Net decrease in cash and cash equivalents			(322,294)		(309,200)
Cash and cash equivalents at beginning of year			1,452,032		1,761,232
Cash and cash equivalents at end of year			1,129,738		1,452,032

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies

Charity information

Fellowship of Independent Evangelical Churches is a CIO with cross border registration in England and Wales, and Scotland.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's constitution, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees 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 trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors 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.

1.4 Income

Income is recognised when the charity 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 charity 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 charity 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.

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies (Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Property, plant and equipment are capitalised only if they are over the value of £500, all other items are accounted for as expenditure.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Freehold land and buildings	1% straight line
Fixtures and fittings	20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of non-current assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 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.

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies (Continued)

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Income from donations and legacies

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Donations and gifts	1,142,290	318,525	1,460,815	937,428	43,631	981,059
Legacies	-	-	-	33,071	128,709	161,780
Grants	126,879	-	126,879	18,564	760,128	778,692
	<u>1,269,169</u>	<u>318,525</u>	<u>1,587,694</u>	<u>989,063</u>	<u>932,468</u>	<u>1,921,531</u>
Donations and gifts						
Churches	975,012	262,729	1,237,741	856,058	15,411	871,469
Individuals	127,804	51,975	179,779	52,263	23,444	75,707
Other	9,488	-	9,488	10,323	-	10,323
Gift Aid	5,041	2,966	8,007	3,930	4,776	8,706
Preaching Honoraria	24,945	855	25,800	14,854	-	14,854
	<u>1,142,290</u>	<u>318,525</u>	<u>1,460,815</u>	<u>937,428</u>	<u>43,631</u>	<u>981,059</u>

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

4 Income from charitable activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Courses and conferences		
Courses and conference fees	41,785	36,924
Leaders Conference	210,085	190,358
Publications and literature		
Primer	350	1,105
Rental income		
Rent of 41 The Point	2,967	6,020
	<u>255,187</u>	<u>234,407</u>

5 Income from investments

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Interest receivable	<u>35,125</u>	<u>-</u>	<u>35,125</u>	<u>20,740</u>	<u>105</u>	<u>20,845</u>

6 Other income

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Other income	<u>393</u>	<u>915</u>

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

7 Expenditure on charitable activities

	Church Training and support information		Outreach	Other evangelical organisation support	Development	Total
	2024	2024	2024	2024	2024	2024
	£	£	£	£	£	£
Direct costs						
Staff costs	685,255	171,429	25,434	32,872	3,214	918,204
Establishment costs	28,927	7,237	1,074	1,388	136	38,762
Staff travel	59,245	14,822	2,199	2,842	278	79,386
Care and recognition of churches	29,749	-	-	-	-	29,749
Leaders Conference	213,701	-	-	-	-	213,701
Women's ministry	2,090	-	-	-	-	2,090
Professional advice	-	12,740	-	-	-	12,740
Media and publicity	-	9,467	-	-	-	9,467
Primer	-	5,760	-	-	-	5,760
Hub Conference	-	19,288	-	-	-	19,288
Other conferences	-	52,148	-	-	-	52,148
Representation of other bodies	-	-	-	238	-	238
Support of Affinity	-	-	-	19,092	-	19,092
	1,018,967	292,891	28,707	56,432	3,628	1,400,625
Grant funding of activities (see note 8)	1,150	39,085	142,415	150,000	11,135	343,785
Share of support and governance costs (see note 9)						
Support	106,091	26,540	3,938	5,091	497	142,157
Governance	16,812	4,206	624	806	79	22,527
	1,143,020	362,722	175,684	212,329	15,339	1,909,094
Analysis by fund						
Unrestricted funds	1,110,701	315,839	32,112	210,834	4,058	1,673,544
Restricted funds	32,319	46,883	143,572	1,495	11,281	235,550
	1,143,020	362,722	175,684	212,329	15,339	1,909,094

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

7 Expenditure on charitable activities (Continued)

Previous year:	Church Training and support information		Outreach	Other evangelical organisation support	Development	Total
	2023 £	2023 £	2023 £	2023 £	2023 £	2023 £
Direct costs						
Staff costs	457,165	194,811	20,234	25,537	-	697,747
Depreciation and impairment	25,000	-	-	-	-	25,000
Establishment costs	30,498	12,996	1,350	1,703	-	46,547
Staff travel	35,033	14,929	1,551	1,957	-	53,470
Care and recognition of churches	7,920	-	-	-	-	7,920
Preaching and church visits	950	-	-	-	-	950
Leaders Conference	189,408	-	-	-	-	189,408
Women's ministry	3,451	-	-	-	-	3,451
London team	5,031	-	-	-	-	5,031
Pastors' network	11,177	-	-	-	-	11,177
Media and publicity	-	17,574	-	-	-	17,574
Primer	-	1,870	-	-	-	1,870
Training information, advice & support	-	12,981	-	-	-	12,981
Hub Conference	-	17,579	-	-	-	17,579
Other conferences	-	18,539	-	-	-	18,539
Mission information and support	-	-	696	-	-	696
Representation of other bodies	-	-	-	62	-	62
Support of Affinity	-	-	-	16,938	-	16,938
Development	-	-	-	-	15,513	15,513
Mission projects and teams	-	-	408	-	-	408
Youth and children's work	1,747	-	-	-	-	1,747
	767,380	291,279	24,239	46,197	15,513	1,144,608
Grant funding of activities (see note 8)	29,250	161,400	1,029,540	-	-	1,220,190
Share of support and governance costs (see note 9)						
Support	131,183	55,137	5,726	7,229	-	199,275
Governance	11,071	5,917	995	619	-	18,602
	938,884	513,733	1,060,500	54,045	15,513	2,582,675
Analysis by fund						
Unrestricted funds	882,841	352,333	29,351	54,045	1,509	1,320,079
Restricted funds	56,043	161,400	1,031,149	-	14,004	1,262,596
	938,884	513,733	1,060,500	54,045	15,513	2,582,675

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

7 Expenditure on charitable activities (Continued)

8 Grants payable

	Church Training and support information		Outreach	Other evangelical organisation support	Develop-ment	Total
	2024	2024	2024	2024	2024	2024
	£	£	£	£	£	£
Grants to institutions:						
Grants to FIEC churches	-	39,085	140,300	-	10,610	189,995
Passion for Life	-	-	-	150,000	-	150,000
	-	39,085	140,300	150,000	10,610	339,995
Grants to individuals	1,150	-	2,115	-	525	3,790
	1,150	39,085	142,415	150,000	11,135	343,785
Previous year:			Church Training and support information	Outreach		Total
			2023	2023	2023	2023
			£	£	£	£
Grants to institutions:						
Grants to FIEC churches			29,000	161,400	1,029,540	1,219,940
Grants to individuals			250	-	-	250
			29,250	161,400	1,029,540	1,220,190

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

9 Support costs allocated to activities

	2024 £	2023 £
Depreciation	15,746	17,976
Consumables	25,771	22,531
Information technology	86,348	133,429
Other costs	14,292	25,844
Governance costs	22,527	18,097
	<u>164,684</u>	<u>217,877</u>
<u>Analysed between:</u>		
Church support	122,903	142,254
Training and information	30,746	61,054
Outreach	4,562	6,721
Other evangelical organisation support	5,897	7,848
Development	576	-
	<u>164,684</u>	<u>217,877</u>

	2024 £	2023 £
Governance costs comprise:		
Audit fees	7,740	7,560
Accountancy	3,060	3,000
Trust board member expenses	-	2,160
Trust board meeting expenses	11,278	3,932
Trust board other expenses	449	1,445
	<u>22,527</u>	<u>18,097</u>

10 Net movement in funds

	2024 £	2023 £
The net movement in funds is stated after charging/(crediting):		
Fees payable to the charity's auditor:		
- for the audit of the charity's financial statements	7,740	7,560
- for other financial services	3,060	3,000
Depreciation of owned property, plant and equipment	15,746	17,976
Loss on disposal of property, plant and equipment	982	-
	<u></u>	<u></u>

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year.

12 Trustees were reimbursed meeting expenses (or had their expenses met by the charity) of £11,278 (2023 - £3,932).

No Trustees had any other expenses reimbursed or met by the charity in the year (2023 - 14 were reimbursed £2,160).

12 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
	23	20

Employment costs

	2024 £	2023 £
Wages and salaries	770,273	578,508
Social security costs	73,896	54,162
Other pension costs	74,035	65,077
	918,204	697,747

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2024 Number	2023 Number
£60,001 to £70,000	-	1
£70,001 to £80,000	1	-

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2024 £	2023 £
Aggregate compensation	450,995	318,270

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

13 Other expenditure

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Net loss on disposal of tangible fixed assets	982	-

14 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

15 Property, plant and equipment

	Freehold land and buildings £	Fixtures and fittings £	Total £
Cost			
At 1 September 2023	903,904	75,704	979,608
Additions	-	15,918	15,918
Disposals	-	(53,306)	(53,306)
At 31 August 2024	903,904	38,316	942,220
Depreciation and impairment			
At 1 September 2023	37,220	60,113	97,333
Depreciation charged in the year	7,444	8,302	15,746
Eliminated in respect of disposals	-	(51,615)	(51,615)
At 31 August 2024	44,664	16,800	61,464
Carrying amount			
At 31 August 2024	859,240	21,516	880,756
At 31 August 2023	866,684	15,591	882,275

16 Inventories

	2024 £	2023 £
Finished goods and goods for resale	716	6,442

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

17 Trade and other receivables

	2024 £	2023 £
Amounts falling due within one year:		
Trade receivables	64	8,282
Prepayments and accrued income	461,926	57,681
	<u>461,990</u>	<u>65,963</u>

18 Current liabilities

	Notes	2024 £	2023 £
Other taxation and social security		19,591	25,419
Deferred income	20	190,523	153,800
Other payables		50,000	31,500
Accruals		15,219	16,449
		<u>275,333</u>	<u>227,168</u>

19 Non-current liabilities

	2024 £	2023 £
Other payables	<u>50,000</u>	<u>-</u>

20 Deferred income

	2024 £	2023 £
Other deferred income	<u>190,523</u>	<u>153,800</u>

Deferred income is included in the financial statements as follows:

	2024 £	2023 £
Deferred income is included within:		
Current liabilities	<u>190,523</u>	<u>153,800</u>
Movements in the year:		
Deferred income at 1 September 2023	153,800	163,542
Released from previous periods	(153,800)	(163,542)
Resources deferred in the year	<u>190,523</u>	<u>153,800</u>
Deferred income at 31 August 2024	<u>190,523</u>	<u>153,800</u>

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

20 Deferred income (Continued)

Deferred income is comprised of monies received in advanced for the FIEC Leadership Conference held in November 2024.

21 Retirement benefit schemes

	2024 £	2023 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	74,035	65,077

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

22 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 September 2023 £	Incoming resources £	Resources expended £	Transfers £	At 31 August 2024 £
Benevolent fund	1,806	11,110	(1,150)	-	11,766
Mission fund	142,715	44,215	(140,300)	-	46,630
Dalling memorial fund	24,701	450	-	-	25,151
Philip Henman trust fund	121,205	-	-	-	121,205
Scottish legacy fund	23,373	-	-	-	23,373
FIEC loan fund	74,735	-	-	-	74,735
Training fund	29,204	59,262	(39,085)	-	49,381
Connect for growth	5,825	-	(2,115)	-	3,710
Office property fund	126,512	-	(2,300)	-	124,212
London Directors fund	150,000	855	(39,465)	-	111,390
Bursary fund	14,905	2,633	(11,135)	-	6,403
McAllister Memorial fund	-	200,000	-	-	200,000
	714,981	318,525	(235,550)	-	797,956

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

22 Restricted funds (Continued)

Previous year:	At 1 September 2022	Incoming resources	Resources expended	Transfers	At 31 August 2023
	£	£	£	£	£
Benevolent fund	2,056	-	(250)	-	1,806
Mission fund	500,973	671,977	(1,030,235)	-	142,715
Dalling memorial fund	24,701	-	-	-	24,701
Philip Henman trust fund	121,205	-	-	-	121,205
Scottish legacy fund	23,373	-	-	-	23,373
Church hardship fund	42,500	-	(29,000)	(13,500)	-
Development fund	9,136	6,272	(14,003)	(1,405)	-
FIEC loan fund	99,630	105	(25,000)	-	74,735
Training fund	86,385	104,219	(161,400)	-	29,204
Connect for growth	6,233	-	(408)	-	5,825
Office property fund	128,812	-	(2,300)	-	126,512
London Directors fund	-	150,000	-	-	150,000
Bursary fund	-	-	-	14,905	14,905
	<u>1,045,004</u>	<u>932,573</u>	<u>(1,262,596)</u>	<u>-</u>	<u>714,981</u>

Benevolent fund - used to make gifts to ministers, partners, and affiliated church members, who are considered to be in need of financial assistance.

Mission fund - to provide support for church planting initiatives and other outreach initiatives within the UK.

Dalling memorial fund - to provide support to accredited ministers and their families in time of illness.

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

22 Restricted funds (Continued)

Philip Henman trust fund - supporting the work and outreach of the Fellowship.

Scottish legacy fund - to provide support for the work of the Fellowship in Scotland.

Church Hardship Fund – to provide support for churches which are struggling financially. The balance on the Church Hardship fund was transferred to the new Bursary fund in June 2023 when all the allocated grants had been sent out.

Development fund - meeting costs for specific projects made known by FIEC to develop the fundraising and administrative support functions of FIEC.

FIEC loan fund - this fund was previously used for making loans available to church plants and building projects to advance gospel work. The fund has now been converted (with Charity Commission approval) into a grant fund within the Mission fund so there will be no further loan applications accepted.

Training fund - to provide financial support to men and women from within the FIEC family of churches to assist in their formal training for gospel ministries. The Fund also provides help to FIEC Churches in establishing ministry posts as well as evangelism and church planting initiatives involving training appointments.

Connect for growth - to provide support for our relationship with the Mississippi Baptist Convention in the United States which sees church members from both sides of the Atlantic visit each other's churches to provide support with ministry and mission.

Office property fund - established with money given specifically for the purchase of the Fellowship's office and through transfers from other funds which were restricted as to their use for property purchase.

London Directors fund - Funds from a closed church to be used within London and the surrounding area which have been ringfenced by the Trustees to fund the London Director's salary for up to a period of three years

Bursary fund - to provide help for churches leaders to attend FIEC conferences.

23 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 September 2023	Incoming resources	Resources expended	Transfers	At 31 August 2024
	£	£	£	£	£
Local Directors fund	119,618	145,588	(100,680)	-	164,526
Capital fund	39,994	-	-	-	39,994
General funds	1,304,951	1,414,286	(1,573,846)	-	1,145,391
	<u>1,464,563</u>	<u>1,559,874</u>	<u>(1,674,526)</u>	<u>-</u>	<u>1,349,911</u>

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

23 Unrestricted funds (Continued)

Previous year:	At 1 September 2022	Incoming resources	Resources expended	Transfers	At 31 August 2023
	£	£	£	£	£
Local Directors fund	-	-	-	119,618	119,618
Capital fund	39,994	-	-	-	39,994
General funds	1,499,523	1,245,125	(1,320,079)	(119,618)	1,304,951
	<u>1,539,517</u>	<u>1,245,125</u>	<u>(1,320,079)</u>	<u>-</u>	<u>1,464,563</u>

Local Directors fund - Funds ringfenced by the Trustees to fund the Local Directors salary costs and expenses, less associated income, for three years.

Capital fund - Funds ringfenced by the Trustees to fund replacement of Capital equipment.

24 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 August 2024:			
Property, plant and equipment	756,544	124,212	880,756
Current assets/(liabilities)	643,367	673,744	1,317,111
Long term liabilities	(50,000)	-	(50,000)
	<u>1,349,911</u>	<u>797,956</u>	<u>2,147,867</u>
	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
At 31 August 2023:			
Property, plant and equipment	755,763	126,512	882,275
Current assets/(liabilities)	708,800	588,469	1,297,269
	<u>1,464,563</u>	<u>714,981</u>	<u>2,179,544</u>

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

25 Operating lease commitments

Lessee

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024	2023
	£	£
Within one year	2,008	2,008
Between two and five years	5,462	7,470
	<u>7,470</u>	<u>9,478</u>

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

26 Related party transactions

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

The trustees /directors of The Fellowship Property Trust are appointed by members of the charity. During the year ended 31 August 2024 FIEC charged rent to the Trust of £667 (2023 - £4,000) and various expenses (including staff salaries) of £27,172 (2023: £24,179).

The Fellowship Property Trust hold properties in Trust for FIEC member. During the 2023 year, two of these properties were sold. The proceeds of the sale were given to FIEC in the form of a grant totalling £757,053 in 2023. There were no such amounts during the current year.

Members of Edward Connor Solicitors (ECS) are Trustees of FIEC from time to time. During the year ended 31 August 2024 the charity recharged various expenses (including staff salaries) of £20,946 (2023: £15,593). In addition, FIEC received legal advice from ECS and incurred other various costs of £15,145 (2023: £11,828).

27 Cash generated from operations	2024 £	2023 £
Deficit for the year	(31,677)	(404,977)
Adjustments for:		
Investment income recognised in statement of financial activities	(35,125)	(20,845)
Loss on disposal of property, plant and equipment	982	-
Depreciation and impairment of fixed assets	15,746	42,976
Movements in working capital:		
Increase in programme related assets	-	6,000
Decrease in inventories	5,726	1,819
(Increase)/decrease in trade and other receivables	(396,027)	6,996
Increase in trade and other payables	61,442	56,476
Increase/(decrease) in deferred income	36,723	(9,742)
Cash absorbed by operations	(342,210)	(321,297)

28 Analysis of changes in net funds

The charity had no material debt during the year.

Accounts

Charity registration number 1168037 (England and Wales)

Charity registration number SC047080 (Scotland)

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023



FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Ian Jones (Chair)	
	Greig Ferguson	(Appointed 1 December 2023)
	Jeremy Brooks	(Appointed 1 December 2023)
	Stephen Waud	(Appointed 1 December 2023)
	Ian MacMichael	(Appointed 1 December 2022)
	Mike Hitchings	(Appointed 1 December 2022)
	Peter Campbell	
	Colin Adams	
	John Russell	
	William James	
	Michael Kendall (Vice-Chair)	
	John Shaw	(Appointed 17 January 2024)
Directors	John Stevens	National Director
	Adrian Reynolds	Head of National Ministry
	Andy Hunter (acting)	Head of National Ministry
	Andy Hunter	Scotland & North of England Director
	Trevor Archer	Director of London
	Daniel Grimwade	Director of Yorkshire
	Gareth Lewis	Director of South Wales
	Mark Howson	Director of Suffolk
	Paul Mallard	Director of West Midlands
	Andy Paterson	Mission Director
	Elinor Magowan & Rebecca Sloan	Director for Women's Ministry
	Jonathan Bond	Director for Smaller Churches
	Johnny Prime	Director for Pastoral Support
	Phil Topham	Executive Director
Charity number (England and Wales)	1168037	
Charity number (Scotland)	SC047080	
Principal address	41 The Point Market Harborough Leicestershire LE16 7QU	
Auditor	Caladine Limited Chantry House 22 Upperton Road Eastbourne East Sussex BN21 1BF	
Bankers	CAF Bank Ltd 25 Kings Hill West Malling Kent ME19 4JQ	

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

LEGAL AND ADMINISTRATIVE INFORMATION

Solicitors	Edward Connor Solicitors 10 The Point Market Harborough LE16 7QU
Safeguarding advisors	Christian Safeguarding Services 6 Marshalsea Road London SE1 1HL

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

CONTENTS

	Page
Trustees' report	1 - 6
Statement of trustees' responsibilities	7
Independent auditor's report	8 - 10
Statement of financial activities	11
Statement of financial position	12
Statement of cash flows	13
Notes to the financial statements	14 - 30

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

The trustees present their annual report and financial statements for the year ended 31 August 2023.

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 charity's Constitution, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) 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 objects of FIEC are to advance the evangelical Christian faith as expressed in the Doctrinal Basis of the Fellowship. These objects are furthered by:

- "Promoting the unity and welfare of congregations of Christian believers which are undenominational in constitution or which have come to occupy a position of detachment from the denominational bodies with which they had been associated ... church(es) finding their unity on the basis of the common adherence to the ... doctrinal basis..."
- "Fostering and encouraging recognition of the essential oneness of the Church of Christ and at the same time recognising the liberty of each individual congregation to conduct its work and worship in accordance with its own interpretation of the teaching of Holy Scripture."
- "Promoting united testimony to, and defending the beliefs set out in, the Doctrinal Basis."

The CIO charity objects are the same as the Legacy charity, with two clarifications. The 'congregations of Christian believers' are expressed in terms of 'churches of Christian believers'. In addition, churches find their unity on the basis of the common adherence to the doctrinal basis 'and the Ethos statements'.

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

Significant activities and achievements against objectives

FIEC's Trustees approved a Strategic Plan in June 2021, and it is that plan which is reviewed and revised to ensure the charity is meeting its strategic objectives.

Our work is shaped by our desire – encapsulated in the Strategic Plan – to help churches. We have evaluated what a healthy independent church looks like, and have sought to support independent churches in this task.

At the heart of this plan is the split of our ministries into two areas of work: national ministries – by which we mean content and resources to churches on a national level – overseen by Adrian Reynolds as Head of National Ministries. Then local ministries – by which we mean the relational work between churches and leaders, and also the Pastors' Network – overseen in this period by Andy Hunter who did the role in an acting capacity between Easter 2022 and the end of the period (August 2023). A new Head of Local Ministries, Graham Beynon was employed during the period and began work on 1 September 2023.

National Director **John Stevens** focuses on national engagement on behalf of FIEC and its churches.

The staff team that offers administrative support to the ministries of FIEC and our member churches is overseen by Executive Director Phil Topham, who is also the conduit between the Senior Leadership Team of FIEC and the Trustees. During this period, FIEC appointed Hannah Hutchinson as Chief Operating Officer. She serves as deputy to the Executive Director and helps to manage the day-to-day running of the office team. This has enabled the Executive Director to spend more time engaging with churches to encourage membership of the charity.

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The work of FIEC can be summarised as follows:

- Providing good resources for churches and (especially) their leaders
- Ensuring pastors and their families are well-supported in their work and ministry
- Accrediting pastors for ministry in independent churches
- Raising up the next generation of pastors and gospel workers
- Encouraging church planting and church revitalisation
- Promoting Women's Ministry in FIEC churches
- Ensuring that FIEC meets contemporary theological challenges facing churches and pastors
- Recruiting churches to join FIEC

In 2022/23 the priorities included:

- Delivering our first national conference since before the Covid-19 pandemic
- A celebration of our Centenary year
- Developing our resources – in particular our podcast – to serve churches and their leaders
- To deliver our conference for those considering ministry or training for ministry
- Delivering more than 25 Local Conferences for church leaders
- Delivering Thrive and The Ministry Wives Retreat for women in ministry
- Giving away more than £1million to support churches with mission work in their communities
- Recruiting regional directors to serve churches in different areas of the country
- Continuing to see new churches join the FIEC

The period was the first full year that had not been directly impacted by the Covid-19 pandemic since 2019, and it meant that our ministries were able to function in the way we would expect. This meant delivering our National Leaders' Conference for the first time since 2022, and also moving ahead with other ministry priorities that had been on hold.

We celebrated our Centenary year with a special service at Westminster Chapel in London, as well as being able to give away more than £1million from our Mission Fund to serve churches with projects core to their work and ministry. We also produced a prayer guide to enable member churches to pray for these different projects taking place around the country.

Here are some of the achievements during the period:

1. Delivering our first National Leaders' Conference since 2019

We gathered for the first time since 2019, with almost 1000 church leaders represented in one place. We also had a new venue for our Conference – The Winter Gardens in Blackpool. The November 2022 Conference took the theme "Keeping the Lights On" and focused on the everyday ministry FIEC churches are involved in – which also coincided well with our 100th anniversary which was marked at the event.

2. Delivering 27 Local Conferences for leaders

The conferences during the period took the theme of our everyday ministry from the main Leaders' Conference and considered "partnership". A key way FIEC helps its churches is by encouraging them to connect with one another. This meant that the Local Conferences encouraged churches in different geographical areas to consider this partnership. Acting Head of Local Ministries Andy Hunter took responsibility for these conferences, aided by other members of the ministry team.

3. Celebrating our Centenary

FIEC was founded in 1922, so during the period we celebrated our Centenary. We did this in three main ways:

- a) Praying for 100 mission projects across FIEC with our "Pray for 100" resource designed and printed.
- b) Gathering for a lunch and a celebration service at Westminster Chapel in April 2023
- c) Giving away more than £1m from our Mission Fund to support some of the projects in "Pray for 100"

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

4. Seeing new Churches join FIEC

23 Churches were accepted into membership of FIEC in the period. They have joined us from a range of backgrounds. There was also the recognition of three new church plants.

5. Delivering Conferences for Women in Ministry

Thrive and The Ministry Wives Retreat took place in May 2023. The former is aimed at women serving in pastoral ministry positions in churches. The latter is designed to support those married to men in ministry in FIEC churches. They equip women in ministry with Bible teaching, seminars and relational support.

6. Appointing Local Ministry Directors

Our Strategic Plan includes the vision to raise up Ministry Directors for different areas of the UK to serve our affiliated churches on the ground. During the period we appointed Local Directors for Yorkshire, Suffolk, The West Midlands and South Wales. These were a mix of full-time and part-time appointments. The Local Directors will serve FIEC by galvanising ministry and fostering good connections between churches in different localities.

Significant factors

Other developments and significant milestones during the period included:

- 2 churches closed, 8 resigned membership
- Church donations received for FIEC's General Fund of £864,000
- £1.04m given out from our Mission Fund supporting 71 church projects
- 538 members of the Pastors' Network including 457 serving Pastors, 64 Itinerant Pastors, 9 Prospective Pastors and 8 Pastors-in-training
- 13 Pastors added to the Network this year
- FIEC Website visited by 41,800 users
- 59,000 plays of the FIEC Podcast In:Dependence with 15,000 plays on YouTube

Fundraising practices

Regulations require us to report each year on certain aspects of any fundraising by FIEC.

- FIEC does not use a professional fundraiser / commercial participator.
- The Trust Board approved a Statement of Fundraising Principles in January 2016 and a Fundraising Strategy in May 2016. It has not undertaken to be bound by any external voluntary scheme or standard, principally as it is not seeking donations from the general public. A review of compliance with the Trust Board Principles and Strategy is carried out annually by the FIEC Treasurer who reports to the Trust Board.
- There were no reported breaches of the above and no complaints were received during the period relating to fundraising.
- FIEC writes to acknowledge receipt of donations, sends supporters an annual thank you letter and produces a glossy magazine to review the year for personal supporters.

Financial review

Total income in all funds was £2,178k (£1,267k in 2022), made up of donations and grants from trusts. Most significant are the donations from churches as this is FIEC's main source of fundraising. Affiliated church donations to unrestricted funds were £871K (£862K in 2022). Suggested donations are in line with the size of a church's membership and in the period were increased by 7% as we struck a balance between the cost of living crisis and two years of 0% rises.

One of the reasons there has been an increase in income is owing to the first national leaders' gathering since 2019. There is income for this national event which was not in these figures in 2021/22 owing to five regional gatherings held in November 2021 in place of one national event.

Income to the Training Fund stood at £104k (2022: £43k).

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Income to the Mission Fund was £672k (2022: £14k). During the period we were able to make significant grants from this Fund owing to monies built up in prior years. These monies were given away to FIEC churches as outlined above in line with our Centenary celebrations. We continue to use the Mission Fund to provide funding to church plants recognised by FIEC to help pay for their governing documents to be set up to enable them to register with the Charity Commission.

Donations from individuals for the General Fund were £52k (£172k in 2022). We are grateful to all who contribute in this way. We also received legacies in the period totalling £162k.

Total expenditure was £2,582k (£1,330k in 2022). The increase from the previous year was owing to the "return to normality" for many of our ministries, and therefore expenses increased. There was also a National Conference for the first time since 2019 which meant that expenditure increased alongside income generated to cover this event.

Reserves policy

FIEC aims to maintain free reserves (Unrestricted Funds less unrestricted fixed assets, debtors and stock) at a level sufficient to cover three months' general expenditure, in order to give FIEC time to respond to unexpected developments. At the end of the period Available Unrestricted Funds were around six months' general expenditure. A deficit budget was planned for 2023/24 which will reduce the level of the reserves further, as FIEC wants to invest in ministries, not hoard funds.

Major risks

The Trust Board examines the major risks facing the charity on at least an annual basis, with ongoing monitoring provided by the Senior Leadership Team. Where relevant, the Trust Board ensures there are action plans in place to mitigate the greatest risks to reduce their likelihood and potential impact.

Policies are in place for:

- Conflicts of Interest & Loyalty
- Hospitality
- Accepting or Refusing Donations
- General Data Protection Rules
- Health and Safety at Work (incorporating Covid-Secure working)
- Safeguarding (incorporating complaints)
- Working from Home
- Wellbeing

Structure, governance and management

FIEC was constituted in November 1922 as an unincorporated organisation and became a Charitable Incorporated Organisation (CIO) with the same name and with similar charitable purposes in 2017. The CIO was registered with the Charity commission on 5th July 2016 with the name under reference 1168037.

By Resolution of the Trust Board on 26th September 2017 the name of the charity number 263354 was changed from The Fellowship of Independent Evangelical Churches to The FIEC (Legacy) Charity. This is retained as a 'shell' charity, with an amended Constitution, solely for the purpose of dealing with the transfer of any potential future legacies left to the 'old' charity, for the benefit of the CIO charity.

In Scotland, FIEC was registered with the Office of the Scottish Charity Regulator (OSCR) under reference SC040111. On 10th January 2017, OSCR registered the FIEC CIO under a new reference SC047080 and contemporaneously deleted the 'old' charity. This was done in consultation with OSCR and following their advice.

Until 31 August 2017, FIEC was an unincorporated association with a Constitution as its governing document. Both under the unincorporated organisation and the CIO Constitution (as corporate successor to the FIEC from 1 September 2017), a general meeting of FIEC is held each November. This meeting has full responsibility for the direction of FIEC. Each affiliated church is entitled to appoint delegates to the general meeting, where major policy questions are decided and thereafter remitted to the Trust Board for executive action.

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The trustees of the charity are the twelve members of the Trust Board. Potential Trust Board members are nominated by affiliated churches with an election at the general meeting each November of church delegates. Elected members serve for a period of three years and are eligible for re-election. In the event of a vacancy arising the Trust Board may co-opt a replacement member to serve until the next general meeting. This option was exercised during the period

The Trust Board has considered the general guidance issued by the Charity Commission on public benefit and in particular, its supplementary guidance on the advancement of religion for the public benefit.

Affiliated churches are required to register with the Charity Commission where their income exceeds £100,000 per annum and / or where constituted as a Charitable Incorporated Organisation. Otherwise, churches are not currently able to make a new registration with the Charity Commission due to the Charities (Exception from Registration) Regulations 1996 which are currently set to continue to apply until 31st March 2031 through The Charities (Exception from Registration)(Amendment) Regulations 2014.

On accepting new churches into membership of FIEC, the Trust Board policy is for churches to have governing documents that are capable of being registered with the Charity Commission. If these are not currently in place, they are expected to work to rectify this within two years (24 months) of joining as a member church.

Members are elected at FIEC's general meeting each November and start their period of service from 1st December following. Trust Board Members who served as trustees during the period and up to the date of approval of this Report were:

Ian Jones (Chair)

Greig Ferguson (Appointed 1 December 2023)

Jeremy Brooks (Appointed 1 December 2023)

Stephen Waud (Appointed 1 December 2023)

Ian MacMichael (Appointed 1 December 2022)

Mike Hitchings (Appointed 1 December 2022)

Peter Campbell

Colin Adams

John Russell

William James

Michael Kendall (Vice-Chair)

Julian Hardyman (Resigned 7 February 2023)

Timothy Diaper (Resigned 31 August 2023)

Mark Lawrence (Resigned 31 August 2023)

Gareth Lewis (Resigned 5 October 2022)

Paul Mallard (Resigned 5 October 2022)

John Shaw (Appointed 17 January 2024)

Recruitment and appointment of trustees

At the general meeting in November 2022, William James, Mark Lawrence and John Russell were elected for a further three-year term.

New Trust Board members are informed of the Charity Commission guidance concerning the responsibilities of trustees and given an introductory presentation on the role of trustees. The Trust Board keeps under review the most appropriate means of ensuring regular, ongoing training for Trust Board members, including making training a part of their termly gatherings.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Organisational structure

The Trust Board is responsible for the governance and policy for FIEC. The implementation of the policy and the day to day management is delegated to the National Director, who is appointed by the Trust Board and approved by the general meeting. John Stevens has been in post as National Director since 2010. In addition to the FIEC National Director there are directors appointed by him with specific responsibilities. During this period the following Directors served:

Heads of National Ministry - Adrian Reynolds & Andy Hunter (acting)

Scotland & North of England Director - Andy Hunter

Director for London - Trevor Archer

Director for Yorkshire - Daniel Grimwade

Director for South Wales - Gareth Lewis

Director for Suffolk - Mark Howson

Director for West Midlands - Paul Mallard

Mission Director - Andy Paterson

Director for Women's Ministry - Elinor Magowan & Rachel Sloan

Director for Smaller Churches - Jonathan Bond

Director for Pastoral Support - Johnny Prime

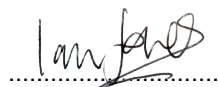
Executive Director - Phil Topham

The Heads of National Ministry (Adrian Reynolds & Andy Hunter - acting) form the Senior Leadership Team along with the National Director (John Stevens) and a senior member of the staff team (Executive Director Phil Topham). The Senior Leadership Team is assisted in carrying out its responsibilities by other staff and a number of voluntary advisory teams which provide advice and expertise. The National Recognition Team is established by the Trust Board with the assistance of the National Director to advise the Trust Board on churches to be admitted as members of FIEC and men to be admitted to the FIEC Pastors' Network.

The Senior Leadership Team meets weekly to discuss and implement policy and practical matters across the organisation. The other ministry staff meet in smaller groups to deliver ministry – the regional directors under the leadership of the Head of Local Ministries and the other ministers under the leadership of the Head of National Ministries.

The Trust Board are members of The Fellowship Property Trust (which is a separate charity and company, and which prepares its own accounts) and as such, they appoint trustees to the Board of The Fellowship Property Trust.

The trustees' report was approved by the Board of Trustees.



.....
Ian Jones (Chair)

Chair

Date: 20th May 2024

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2023

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

The law applicable to charities in England and Wales and in Scotland requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the trust deed. 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.

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Opinion

We have audited the financial statements of Fellowship of Independent Evangelical Churches (the 'charity') for the year ended 31 August 2023 which comprise the statement of financial activities, the statement of financial position, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 charity's affairs as at 31 August 2023 and of its incoming resources and application of resources, 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 Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 charity 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 the provisions available for small entities, in the circumstances set out in note 27 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, 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 trustees 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 charity'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 trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Charities Act 2011 and employment legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Audit response to risks identified

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and relevant regulators

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements 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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Caladine

Caladine Limited

21 May 2024

**Chartered Certified Accountants
Statutory Auditor**

Chantry House
22 Upperton Road
Eastbourne
East Sussex
BN21 1BF

Caladine Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes						
Income from:							
Donations and legacies	3	989,063	932,468	1,921,531	1,089,424	116,883	1,206,307
Charitable activities	4	234,407	-	234,407	55,827	-	55,827
Investments	5	20,740	105	20,845	2,750	165	2,915
Other income	6	915	-	915	1,654	-	1,654
Total income		1,245,125	932,573	2,177,698	1,149,655	117,048	1,266,703
Expenditure on:							
Charitable activities	7	1,320,079	1,262,596	2,582,675	964,249	366,135	1,330,384
Net expenditure		(74,954)	(330,023)	(404,977)	185,406	(249,087)	(63,681)
Transfers between funds	20	-	-	-	3,484	(3,484)	-
Net movement in funds		(74,954)	(330,023)	(404,977)	188,890	(252,571)	(63,681)
Reconciliation of funds:							
Fund balances at 1 September 2022		1,539,517	1,045,004	2,584,521	1,350,627	1,297,575	2,648,202
Fund balances at 31 August 2023		1,464,563	714,981	2,179,544	1,539,517	1,045,004	2,584,521

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

STATEMENT OF FINANCIAL POSITION

AS AT 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Property, plant and equipment	13		882,275		891,503
Programme related investments	14		-		31,000
			<u>882,275</u>		<u>922,503</u>
Current assets					
Inventories	15	6,442		8,261	
Trade and other receivables	16	65,963		72,959	
Cash at bank and in hand		1,452,032		1,761,232	
		<u>1,524,437</u>		<u>1,842,452</u>	
Current liabilities	17	227,168		180,434	
		<u>227,168</u>		<u>180,434</u>	
Net current assets			1,297,269		1,662,018
Total assets less current liabilities			<u>2,179,544</u>		<u>2,584,521</u>
The funds of the charity					
Restricted income funds	20		714,981		1,045,004
Unrestricted funds	21		1,464,563		1,539,517
			<u>2,179,544</u>		<u>2,584,521</u>

The financial statements were approved by the trustees on 20 May 2024.



.....
Ian Jones (Chair)
Chair

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	25		(321,297)		76,384
Investing activities					
Purchase of property, plant and equipment		(8,748)		(11,934)	
Proceeds from disposal of property, plant and equipment		-		1,502	
Investment income received		20,845		2,915	
Net cash generated from/(used in) investing activities			12,097		(7,517)
Net (decrease)/increase in cash and cash equivalents			(309,200)		68,867
Cash and cash equivalents at beginning of year			1,761,232		1,692,365
Cash and cash equivalents at end of year			1,452,032		1,761,232

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

Charity information

Fellowship of Independent Evangelical Churches is a CIO with cross border registration in England and Wales, and Scotland.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees 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 trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors 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.

1.4 Income

Income is recognised when the charity 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 charity 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 charity 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.

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies (Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Freehold land and buildings	1% straight line
Fixtures and fittings	20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of non-current assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 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.

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies (Continued)

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Income from donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Donations and gifts	937,428	43,631	981,059	1,064,616	116,883	1,181,499
Legacies receivable	33,071	128,709	161,780	24,808	-	24,808
Grants	18,564	760,128	778,692	-	-	-
	<u>989,063</u>	<u>932,468</u>	<u>1,921,531</u>	<u>1,089,424</u>	<u>116,883</u>	<u>1,206,307</u>
Donations and gifts						
Churches	856,058	15,411	871,469	807,842	53,864	861,706
Individuals	52,263	23,444	75,707	171,949	40,325	212,274
Preacher Honoraria	10,323	-	10,323	12,367	-	12,367
Gift Aid	3,930	4,776	8,706	2,949	4,859	7,808
Other	14,854	-	14,854	69,509	17,835	87,344
	<u>937,428</u>	<u>43,631</u>	<u>981,059</u>	<u>1,064,616</u>	<u>116,883</u>	<u>1,181,499</u>

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

4 Income from charitable activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Courses and conferences		
Course and conference fees	36,924	24,488
Leaders Conference	190,358	24,520
Publications and literature		
Primer	1,105	1,894
Rental income		
Rent of 41 The Point	6,020	4,925
	<u>234,407</u>	<u>55,827</u>

5 Income from investments

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Interest receivable	<u>20,740</u>	<u>105</u>	<u>20,845</u>	<u>2,750</u>	<u>165</u>	<u>2,915</u>

6 Other income

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Other income	<u>915</u>	<u>1,654</u>

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

7 Expenditure on charitable activities

	Church Training and support information		Outreach	Other evangelical organisation support	Development	Total
	2023	2023	2023	2023	2023	2023
	£	£	£	£	£	£
Direct costs						
Staff costs	457,165	194,811	20,234	25,537	-	697,747
Depreciation and impairment	25,000	-	-	-	-	25,000
Establishment costs	30,498	12,996	1,350	1,703	-	46,547
Staff travel	35,033	14,929	1,551	1,957	-	53,470
Care and recognition of churches	2,404	-	-	-	-	2,404
Preaching and church visits	950	-	-	-	-	950
Leaders Conference	189,408	-	-	-	-	189,408
Theological advice	5,516	-	-	-	-	5,516
Women's ministry	3,451	-	-	-	-	3,451
London team	5,031	-	-	-	-	5,031
Pastors' network	11,177	-	-	-	-	11,177
Together magazine	-	17,574	-	-	-	17,574
Primer	-	1,870	-	-	-	1,870
Media and publicity	-	12,981	-	-	-	12,981
Hub Conference	-	17,579	-	-	-	17,579
Other conferences	-	18,539	-	-	-	18,539
Mission information and support	-	-	696	-	-	696
Representation of other bodies	-	-	-	62	-	62
Support of Affinity	-	-	-	16,938	-	16,938
Development	-	-	-	-	15,513	15,513
Mission projects and teams	-	-	408	-	-	408
Youth and childrens work	1,747	-	-	-	-	1,747
	<u>767,380</u>	<u>291,279</u>	<u>24,239</u>	<u>46,197</u>	<u>15,513</u>	<u>1,144,608</u>
Grant funding of activities (see note 8)	29,250	161,400	1,029,540	-	-	1,220,190
Share of support and governance costs (see note 9)						
Support	131,183	55,137	5,726	7,229	-	199,275
Governance	11,071	5,917	995	619	-	18,602
	<u>938,884</u>	<u>513,733</u>	<u>1,060,500</u>	<u>54,045</u>	<u>15,513</u>	<u>2,582,675</u>
Analysis by fund						
Unrestricted funds	882,841	352,333	29,351	54,045	1,509	1,320,079
Restricted funds	56,043	161,400	1,031,149	-	14,004	1,262,596
	<u>938,884</u>	<u>513,733</u>	<u>1,060,500</u>	<u>54,045</u>	<u>15,513</u>	<u>2,582,675</u>

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

7 Expenditure on charitable activities (Continued)

Previous year:	Church Training and support information		Outreach	Other evangelical organisation support	Development	Total
	2022	2022	2022	2022	2022	2022
	£	£	£	£	£	£
Direct costs						
Staff costs	403,087	175,848	35,260	23,398	-	637,593
Establishment costs	16,653	7,265	1,457	967	-	26,342
Staff travel	26,092	11,383	2,282	1,515	-	41,272
Care and recognition of churches	572	-	-	-	-	572
Preaching and church visits	1,392	-	-	-	-	1,392
Leaders Conference	35,395	-	-	-	-	35,395
Theological advice	1,554	-	-	-	-	1,554
Women's ministry	2,332	-	-	-	-	2,332
London team	605	-	-	-	-	605
Pastors' network	9,501	-	-	-	-	9,501
Together magazine	-	21,688	-	-	-	21,688
Primer	-	2,527	-	-	-	2,527
Media and publicity	-	17,042	-	-	-	17,042
Hub Conference	-	13,779	-	-	-	13,779
Other conferences	-	13,227	-	-	-	13,227
Mission information and support	-	-	11,110	-	-	11,110
Representation of other bodies	-	-	-	80	-	80
Support of Affinity	-	-	-	15,058	-	15,058
Development	-	-	-	-	12,444	12,444
	497,183	262,759	50,109	41,018	12,444	863,513
Grant funding of activities (see note 8)	-	340,280	-	-	-	340,280
Share of support and governance costs (see note 9)						
Support	73,424	31,249	6,772	4,158	-	115,603
Governance	6,946	3,030	608	404	-	10,988
	577,553	637,318	57,489	45,580	12,444	1,330,384
Analysis by fund						
Unrestricted funds	575,760	297,037	45,872	45,580	-	964,249
Restricted funds	1,793	340,281	11,617	-	12,444	366,135
	577,553	637,318	57,489	45,580	12,444	1,330,384

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

8 Grants payable

	Church Training and support information		Outreach	Total	Training and information
	2023	2023	2023	2023	2022
	£	£	£	£	£
Grants to institutions:					
Grants to FIEC churches	29,000	161,400	1,029,540	1,219,940	340,280
Grants to individuals	250	-	-	250	-
	<u>29,250</u>	<u>161,400</u>	<u>1,029,540</u>	<u>1,220,190</u>	<u>340,280</u>

9 Support costs allocated to activities

	2023	2022
	£	£
Depreciation	17,976	20,419
Consumables	22,531	19,351
Information technology	133,429	64,168
Other costs	25,844	11,665
Governance costs	18,097	10,988
	<u>217,877</u>	<u>126,591</u>

Analysed between:

Church support	142,254	80,370
Training and information	61,054	34,279
Outreach	6,721	7,380
Other evangelical organisation support	7,848	4,562
	<u>217,877</u>	<u>126,591</u>

Governance costs comprise:

	2023	2022
	£	£
Audit fees	7,560	3,463
Accountancy	3,000	1,620
Trust board member expenses	2,160	2,419
Trust board meeting expenses	3,932	3,486
Trust board other expenses	1,445	-
	<u>18,097</u>	<u>10,988</u>

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year.

12 of them were reimbursed (or had their expenses met by the charity) a total of £3,932 meeting expenses (2022 - 10 were reimbursed £3,486).

14 of them were reimbursed (or had their expenses met by the charity) a total of £2,160 other member expenses (2022 - 13 were reimbursed £2,419).

11 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
	20	19

Employment costs

	2023 £	2022 £
Wages and salaries	578,508	524,849
Social security costs	54,162	54,617
Other pension costs	65,077	58,127
	697,747	637,593

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2023 Number	2022 Number
£60,001 to £70,000	1	1

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023 £	2022 £
Aggregate compensation	318,270	231,678

12 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

13 Property, plant and equipment

	Freehold land and buildings £	Fixtures and fittings £	Total £
Cost			
At 1 September 2022	903,904	66,956	970,860
Additions	-	8,748	8,748
At 31 August 2023	903,904	75,704	979,608
Depreciation and impairment			
At 1 September 2022	29,776	49,581	79,357
Depreciation charged in the year	7,444	10,532	17,976
At 31 August 2023	37,220	60,113	97,333
Carrying amount			
At 31 August 2023	866,684	15,591	882,275
At 31 August 2022	874,128	17,375	891,503

14 Programme related investments

	£
At 1 September 2022	31,000
Impairments	(25,000)
Recovered amount	(6,000)
At 31 August 2023	-

15 Inventories

	2023 £	2022 £
Finished goods and goods for resale	6,442	8,261

16 Trade and other receivables

	2023 £	2022 £
Amounts falling due within one year:		
Trade receivables	8,282	-
Other receivables	-	1,290
Prepayments and accrued income	57,681	71,669
	65,963	72,959

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

17 Current liabilities

	Notes	2023 £	2022 £
Other taxation and social security		25,419	11,698
Deferred income	18	153,800	163,542
Other payables		31,500	-
Accruals		16,449	5,194
		<u>227,168</u>	<u>180,434</u>

18 Deferred income

	2023 £	2022 £
Other deferred income	<u>153,800</u>	<u>163,542</u>

Deferred income is included in the financial statements as follows:

	2023 £	2022 £
Deferred income is included within:		
Current liabilities	<u>153,800</u>	<u>163,542</u>
Movements in the year:		
Deferred income at 1 September 2022	163,542	11,580
Released from previous periods	(163,542)	(11,580)
Resources deferred in the year	<u>153,800</u>	<u>163,542</u>
Deferred income at 31 August 2023	<u>153,800</u>	<u>163,542</u>

Deferred income is comprised of monies received in advanced for the FIEC Leadership Conference held in November 2023.

19 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £65,077 (2022 - £58,127).

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

20 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 September 2022	Incoming resources	Resources expended	Transfers	At 31 August 2023
	£	£	£	£	£
Benevolent fund	2,056	-	(250)	-	1,806
Mission fund	500,973	671,977	(1,030,235)	-	142,715
Dalling memorial fund	24,701	-	-	-	24,701
Philip Henman trust fund	121,205	-	-	-	121,205
Scottish legacy fund	23,373	-	-	-	23,373
Church hardship fund	42,500	-	(29,000)	(13,500)	-
Development fund	9,136	6,272	(14,003)	(1,405)	-
FIEC loan fund	99,630	105	(25,000)	-	74,735
Training fund	86,385	104,219	(161,400)	-	29,204
Connect for growth	6,233	-	(408)	-	5,825
Office property fund	128,812	-	(2,300)	-	126,512
London Directors fund	-	150,000	-	-	150,000
Bursary fund	-	-	-	14,905	14,905
	<u>1,045,004</u>	<u>932,573</u>	<u>(1,262,596)</u>	<u>-</u>	<u>714,981</u>

Previous year:	At 1 September 2021	Incoming resources	Resources expended	Transfers	At 31 August 2022
	£	£	£	£	£
Benevolent fund	2,056	-	-	-	2,056
Mission fund	498,544	13,540	(11,111)	-	500,973
Dalling memorial fund	24,701	-	-	-	24,701
Philip Henman trust fund	121,205	-	-	-	121,205
Scottish legacy fund	23,373	-	-	-	23,373
Church hardship fund	-	42,500	-	-	42,500
Development fund	7,064	18,000	(12,444)	(3,484)	9,136
FIEC loan fund	99,465	165	-	-	99,630
Training fund	383,822	42,843	(340,280)	-	86,385
Connect for growth	6,233	-	-	-	6,233
Office property fund	131,112	-	(2,300)	-	128,812
	<u>1,297,575</u>	<u>117,048</u>	<u>(366,135)</u>	<u>(3,484)</u>	<u>1,045,004</u>

Benevolent fund - used to make gifts to ministers, partners, and affiliated church members, who are considered to be in need of financial assistance.

Mission fund - to provide support for church planting initiatives and other outreach initiatives within the UK.

Dalling memorial fund - to provide support to accredited ministers and their families in time of illness.

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

20 Restricted funds (Continued)

Philip Henman trust fund - supporting the work and outreach of the Fellowship.

Scottish legacy fund - to provide support for the work of the Fellowship in Scotland.

Church Hardship Fund – to provide support for churches which are struggling financially. The balance on the Church Hardship fund was transferred to the new Bursary fund in June 2023 when all the allocated grants had been sent out.

Development fund - meeting costs for specific projects made known by FIEC to develop the fundraising and administrative support functions of FIEC.

FIEC loan fund - this fund was previously used for making loans available to church plants and building projects to advance gospel work. The fund has now been converted (with Charity Commission approval) into a grant fund within the Mission fund so there will be no further loan applications accepted.

Training fund - to provide financial support to men and women from within the FIEC family of churches to assist in their formal training for gospel ministries. The Fund also provides help to FIEC Churches in establishing ministry posts as well as evangelism and church planting initiatives involving training appointments.

Connect for growth - to provide support for our relationship with the Mississippi Baptist Convention in the United States which sees church members from both sides of the Atlantic visit each other's churches to provide support with ministry and mission.

Office property fund - established with money given specifically for the purchase of the Fellowship's office and through transfers from other funds which were restricted as to their use for property purchase.

London Directors fund - Funds from a closed church to be used within London and the surrounding area which have been ringfenced by the Trustees to fund the London Director's salary for up to a period of three years

Bursary fund - to provide help for churches leaders to attend FIEC conferences.

21 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 September 2022	Incoming resources	Resources expended	Transfers	At 31 August 2023
	£	£	£	£	£
Local Directors fund	-	-	-	119,618	119,618
Capital fund	39,994	-	-	-	39,994
General funds	1,499,523	1,245,125	(1,320,079)	(119,618)	1,304,951
	<u>1,539,517</u>	<u>1,245,125</u>	<u>(1,320,079)</u>	<u>-</u>	<u>1,464,563</u>

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

21 Unrestricted funds (Continued)

Previous year:	At 1 September 2021	Incoming resources	Resources expended	Transfers	At 31 August 2022
	£	£	£	£	£
Capital fund	39,994	-	-	-	39,994
General funds	1,310,633	1,149,655	(964,249)	3,484	1,499,523
	<u>1,350,627</u>	<u>1,149,655</u>	<u>(964,249)</u>	<u>3,484</u>	<u>1,539,517</u>

Local Directors fund - Funds ringfenced by the Trustees to fund the Local Directors salary costs and expenses, less associated income, for three years.

Capital fund - Funds ringfenced by the Trustees to fund replacement of Capital equipment.

22 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Fund balances at 31 August 2023 are represented by:			
Property, plant and equipment	755,763	126,512	882,275
Current assets/(liabilities)	708,800	588,469	1,297,269
	<u>1,464,563</u>	<u>714,981</u>	<u>2,179,544</u>

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 August 2022 are represented by:			
Property, plant and equipment	762,691	128,812	891,503
Programme related assets	-	31,000	31,000
Current assets/(liabilities)	776,826	885,192	1,662,018
	<u>1,539,517</u>	<u>1,045,004</u>	<u>2,584,521</u>

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

23 Operating lease commitments

Lessee

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023	2022
	£	£
Within one year	2,008	-
Between two and five years	7,470	-
	<u>9,478</u>	<u>-</u>

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

24 Related party transactions

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

The trustees /directors of The Fellowship Property Trust are appointed by members of the charity. During the year ended 31 August 2023 FIEC was recharged various expenses totaling £nil (2022: £1,300). In addition, the FIEC charged rent to the Trust of £4,000 (2022 - £4,000) and various expenses (including staff salaries) of £24,179 (2022: £31,409).

The Fellowship Property Trust held properties in Trust for FIEC member churches. During the year two of these properties were sold. The proceeds of the sale were given to FIEC in the form of a grant totaling £757,053 (2022: nil)

Members of Edward Connor Solicitors (ECS) are Trustees of FIEC from time to time. During the year ended 31 August 2023 the the charity recharged various expenses (including staff salaries) of £15,593 (2022: £12,278). In addition, FIEC received legal advice from ECS and incurred other various costs of £11,828 (2022: £11,021)

25 Cash generated from operations	2023 £	2022 £
Deficit for the year	(404,977)	(63,681)
Adjustments for:		
Investment income recognised in statement of financial activities	(20,845)	(2,915)
Depreciation and impairment of fixed assets	42,976	20,419
Movements in working capital:		
(Increase)/decrease in programme related assets	6,000	6,000
Decrease in inventories	1,819	2,302
Decrease/(increase) in trade and other receivables	6,996	(36,554)
Increase/(decrease) in trade and other payables	56,476	(1,149)
(Decrease)/increase in deferred income	(9,742)	151,962
Cash (absorbed by)/generated from operations	(321,297)	76,384

26 Analysis of changes in net funds

The charity had no material debt during the year.

FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

27 Non-audit services provided by auditor

In common with many charities of our size and nature we use our auditor to assist with the preparation of the financial statements.

Accounts

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

**Financial Statements
for the year ended
31 August 2022**

**Registered Charity no. (England and Wales) 1168037
Charity registered in Scotland no.SCo47080**

**Cheyettes Ltd
Chartered Certified Accountants
167 London Road
Leicester
LE2 1EG**

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Financial Statements

For the year ended 31 August 2022

CONTENTS	Page
Report of the Trust Board	1 to 8
Report of the Auditors	9 to 11
Statement of Financial Activities	12
Balance Sheet	13
Statement of Cash Flows	14
Notes to the Financial Statements	15 to 24

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Report of the Trust Board

For the year ended 31 August 2022

Members of the Trust Board have pleasure in submitting their report and the audited financial statements of The Fellowship of Independent Evangelical Churches (FIEC) for the year ended 31st August 2022. The trustees have adopted the Provisions of the Statement of Recommended Practice: 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) published in October 2019 and comply with the charity's governing document, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

Constitution

FIEC was constituted in November 1922 as an unincorporated organisation and became a Charitable Incorporated Organisation (CIO) with the same name and with similar charitable purposes in 2017. The CIO was registered with the Charity Commission on 5th July 2016 with the name under reference 1168037.

By Resolution of the Trust Board on 26th September 2017 the name of the charity number 263354 was changed from The Fellowship of Independent Evangelical Churches to The FIEC (Legacy) Charity. This is retained as a 'shell' charity, with an amended Constitution, solely for the purpose of dealing with the transfer of any potential future legacies left to the 'old' charity, for the benefit of the CIO charity.

In Scotland, FIEC was registered with the Office of the Scottish Charity Regulator (OSCR) under reference SCo40111. On 10th January 2017, OSCR registered the FIEC CIO under a new reference SCo47080 and contemporaneously deleted the 'old' charity. This was done in consultation with OSCR and following their advice.

Registered office

The registered office of FIEC is 41 The Point, Market Harborough LE16 7QU.

Advisers

The principal professional advisers to FIEC during the period were:

Solicitors:	Edward Connor Solicitors, Market Harborough
Auditors:	Cheyettes Ltd, Leicester
Bankers:	CAF Bank Ltd, West Malling
Safeguarding	Christian Safeguarding Services, Loughborough

Objects

The objects of FIEC are to advance the evangelical Christian faith as expressed in the Doctrinal Basis of the Fellowship. These objects are furthered by:

- (a) "Promoting the unity and welfare of congregations of Christian believers which are undenominational in constitution or which have come to occupy a position of detachment from the denominational bodies with which they had been associated ... church(es) finding their unity on the basis of the common adherence to the ... doctrinal basis"
- (b) "Fostering and encouraging recognition of the essential oneness of the Church of Christ and at the same time recognising the liberty of each individual congregation to conduct its work and worship in accordance with its own interpretation of the teaching of Holy Scripture."
- (c) "Promoting united testimony to, and defending the beliefs set out in, the Doctrinal Basis."

The CIO charity objects are the same as the Legacy charity, with two clarifications. The 'congregations of Christian believers' are expressed in terms of 'churches of Christian believers'. In addition, churches find their unity on the basis of the common adherence to the doctrinal basis 'and the Ethos statements'.

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Report of the Trust Board

For the year ended 31 August 2022

Governance

Until 31 August 2017, FIEC was an unincorporated association with a Constitution as its governing document. Both under the unincorporated organisation and the CIO Constitution (as corporate successor to the FIEC from 1 September 2017), a general meeting of FIEC is held each November. This meeting has full responsibility for the direction of FIEC. Each affiliated church is entitled to appoint delegates to the general meeting, where major policy questions are decided and thereafter remitted to the Trust Board for executive action.

The trustees of the charity are the twelve members of the Trust Board. Potential Trust Board members are nominated by affiliated churches with an election at the general meeting each November of church delegates. Elected members serve for a period of three years and are eligible for re-election. In the event of a vacancy arising the Trust Board may co-opt a replacement member to serve until the next general meeting.

The Trust Board has considered the general guidance issued by the Charity Commission on public benefit and in particular, its supplementary guidance on the advancement of religion for the public benefit.

Affiliated churches are required to register with the Charity Commission where their income exceeds £100,000 per annum and / or where constituted as a Charitable Incorporated Organisation. Otherwise, churches are not currently able to make a new registration with the Charity Commission due to the Charities (Exception from Registration) Regulations 1996 which are currently set to continue to apply until 31st March 2031 through The Charities (Exception from Registration)(Amendment) Regulations 2014.

On accepting new churches into membership of FIEC, the Trust Board policy is for churches to have governing documents that are capable of being registered with the Charity Commission. If these are not currently in place, they are expected to work to rectify this within two years (24 months) of joining as a member church.

Trust Board members

Members are elected at FIEC's general meeting each November and start their period of service from 1st December following. Trust Board Members who served as trustees during the period and up to the date of approval of this Report were:

Colin Adams (appointed 1 st December 2021)	Mark Lawrence
Peter Campbell (appointed 1 st December 2021)	Gareth Lewis (resigned 5 th October 2022)
Timothy Diaper	Alan McKnight (resigned 1 st December 2021)
Julian Hardyman	Ian MacMichael (appointed 1 st December 2022)
Michael Hitchings (appointed 1 st December 2021)	Paul Mallard (resigned 5 th October 2022)
William James	John Russell
Ian Jones (Vice-Chair, Chair from 1 st September 2022)	Peter Walkingshaw (resigned 1 st December 2021)
Michael Kendall (Chair, Vice-Chair from 1 st September 2022)	

At the general meeting in November 2021, Paul Mallard was elected for a further three-year term. FIEC sought permission from the Charity Commission to appoint Gareth Lewis and Paul Mallard as employees in autumn 2022, with the aim of beginning employment in 2023. This was granted and they resigned their membership as Trustees as outlined above in line with clause 8.1.3 of our Constitution.

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Report of the Trust Board

For the year ended 31 August 2022

Induction and training of Trustees

New Trust Board members are informed of the Charity Commission guidance concerning the responsibilities of trustees and given an introductory presentation on the role of trustees. The Trust Board keeps under review the most appropriate means of ensuring regular, ongoing training for Trust Board members.

Organisational structure

The Trust Board is responsible for the governance and policy for FIEC. The implementation of the policy and the day to day management is delegated to the National Director, who is appointed by the Trust Board and approved by the general meeting. John Stevens has been in post as National Director since 2010. In addition to the FIEC National Director there are directors appointed by him with specific responsibilities. During this period the following Directors served:

Heads of National Ministry -	Adrian Reynolds Johnny Prime Andy Hunter (acting)
Scotland & North of England Director -	Andy Hunter
London Director -	Trevor Archer
Mission Director -	Andy Paterson
Directors for Women's Ministry -	Elinor Magowan & Rachel Sloan
Director for Smaller Churches -	Jonathan Bond
Executive Director -	Phil Topham

The Ministry Directors based in Market Harborough (John Stevens, Johnny Prime and Adrian Reynolds) form the Senior Leadership Team along with the Scotland & North of England Director (Andy Hunter) and a senior member of the staff team (Executive Director Phil Topham). The Senior Management Team is assisted in carrying out its responsibilities by other staff and a number of voluntary advisory teams which provide advice and expertise. The National Recognition Team is established by the Trust Board with the assistance of the National Director to advise the Trust Board on churches to be admitted as members of FIEC and men to be admitted to the FIEC Pastors' Network.

The National Director also has an advisory group of Operational and Ministry Staff in addition to his team to include:

- **Church Leadership Consultant:** Ray Evans
- **IT Manager:** Justin Gill
- **Finance Manager:** Tim Oldridge

The Senior Leadership Team meets weekly to discuss and implement policy and practical matters across the organisation. The wider Ministry Team (the Senior Leadership Team plus Trevor Archer, Andy Paterson, Rachel Sloan, Elinor Magowan, Jonathan Bond and Ray Evans) meets less frequently as an advisory group.

The Trust Board are members of The Fellowship Property Trust (which is a separate charity and company, and which prepares its own accounts) and as such, they appoint trustees to the Board of The Fellowship Property Trust.

Risk management

The Trust Board examines the major risks facing the charity on at least an annual basis, with ongoing monitoring provided by the Senior Leadership Team. Where relevant, the Trust Board ensures there are action plans in place to mitigate the greatest risks to reduce their likelihood and potential impact.

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Report of the Trust Board

For the year ended 31 August 2022

Policies are in place for:

- Conflicts of Interest & Loyalty
- Hospitality
- Accepting or Refusing Donations
- General Data Protection Rules
- Health and Safety at Work (incorporating Covid-Secure working)
- Safeguarding (incorporating complaints)
- Working from Home
- Wellbeing

Activities and achievements

The FIEC strapline is:

“Independent Churches, working together to reach Britain for Christ”.

This explains our ecclesiology (we are independent churches) and our fellowship (we want to work together in mission and evangelism).

The Senior Leadership Team is now working to progress the Strategic Plan which was agreed by the Trustees in June 2021. Our work is shaped by our desire – encapsulated in the Strategic Plan – to help churches. We have evaluated what a healthy independent church looks like, and have sought to support independent churches in this task.

At the heart of this plan is the split of our ministries into two areas of work: national ministries – by which we mean content and resources to churches on a national level – overseen by **Adrian Reynolds** as Head of National Ministries. Then local ministries – by which we mean the relational work between churches and leaders, and also the Pastors’ Network – overseen by **Johnny Prime** as Head of Local Ministries. Johnny was taken ill in January 2022 and has since relinquished this post. **Andy Hunter** has been doing this role in an acting capacity since Easter 2022.

National Director **John Stevens** focuses on national engagement on behalf of FIEC and its churches, serving as a Trustee on several other charities whose work helps FIEC to further its strategic objectives.

The staff team that offers administrative support to the ministries of FIEC and our member churches is overseen by Executive Director **Phil Topham**, who is also the conduit between the Senior Leadership Team of FIEC and the Trustees.

The work of FIEC can be summarised as follows:

- Providing good resources for churches and (especially) their leaders
- Ensuring pastors and their marriages are spiritually healthy
- Accrediting pastors for ministry in independent churches
- Raising up the next generation of pastors and gospel workers
- Encouraging church planting and church revitalisation
- Promoting Women’s Ministry in FIEC churches
- Ensuring that FIEC meets contemporary theological challenges facing churches and pastors
- Recruiting churches to join FIEC

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Report of the Trust Board

For the year ended 31 August 2022

In 2021/22 the priorities included:

- Planning to celebrate our Centenary
- Delivering five regional conferences to replicate our National gathering in November 2021 that could not happen in the same way owing to Covid-19
- Weekly podcasts for church leaders, offering advice and guidance in different areas of ministry, supplemented by a regular news review called “In the News”
- Delivering The Hub Conference in January 2021 after a gap owing to the Covid Pandemic. This is designed to help those considering pastoral ministry
- Delivering more than 25 Local Conferences for church leaders
- Delivering Thrive and The Ministry Wives Retreat for women in ministry
- Supporting the training of gospel workers through FIEC’s Training Fund
- Planning our National Leaders’ Conference at a new venue for November 2022
- Continuing to see new churches join the FIEC

2021-22 was the year we finally began to emerge from the Covid-19 pandemic. Given the uncertainty around the autumn/winter period in 2021, we elected to hold five regional Leaders’ Conferences to replicate our national offering. Called “The Glorious Normal” they were designed to encourage a return to normality, with this theme being picked up in our follow-up local conferences during 2022.

Twinned with that, we planned our 2022 conference called “Keeping the Lights On” in Blackpool. This was planned for November 2022 and was designed to look back on 100 years of FIEC, the charity having been formed in November 1922. There are other things taking place as part of the 2022-23 financial to mark this Centenary which will be reported on in the 2022-23 annual review.

Here are some of the achievements during the period:

1. Delivering our five Regional Conferences for leaders

These were actioned owing to the lack of clarity from central Government about Coronavirus restrictions in autumn 2021. This meant that instead of one national event, we organised five regional day-conferences instead in Cardiff, Birmingham, London, Edinburgh and Manchester. This had the effect of us seeing similar numbers of delegates to our usual national event and meant we could begin to re-gather after Covid-19.

2. Delivering 26 Local Conferences for leaders

The conferences in 2021 had all taken place online, so this year we were able to re-gather in-person for these day conferences. They are designed to take the big topic from the national event and help local churches to engage with it in their geographical location. Owing to the illness to Johnny Prime, some of these conferences were combined with other locations to reduce the burden on the staff team, but we still delivered 26 conferences attended by 707 leaders.

3. Conferences for Women in Ministry

Thrive and the Ministry Wives Retreat returned in 2022 after the Covid-19 hiatus. There was ministry and seminars for our leading women, Thrive focusing on those in pastoral ministry, the latter focusing on those married to men in pastoral ministry.

4. Seeing new Churches join FIEC

16 Churches were accepted into membership of FIEC in the period. They have joined us from a range of backgrounds. There was also the recognition of five new church plants.

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Report of the Trust Board

For the year ended 31 August 2022

5. Launch of the weekly podcast

With a soft-launch in late summer 2021, the Podcast In:Dependence was fully operational by September 2021. Several guests and topics were covered in the first year, looking at various different ministries. Twinned with this is our "In the News" podcast looking at the news stories dominating the headlines. The podcast amassed 19,000 listens in its first year.

6. Growth of our online ministries

The FIEC website consistently receives around 4,000 visits every month. Between June and August 2022, the website was visited 36,800 times by more than 15,000 different users.

Other developments and significant milestones during the period included:

- **14** churches closed, **9** resigned membership
- Church donations received for FIEC's General Fund of **£808,000**
- **£240,000** given out from our Training Fund supporting 10 churches and 12 individuals
- **596** men as members of the Pastors' Network including:
 - 445** serving Pastors
 - 39** Itinerant Pastors
 - 10** Prospective Pastors
 - 83** Retired Pastors
 - 19** Pastors-in-Training
- **23** Pastors added to the Network this year

Review of Financial Position

Income

Total income in all funds was £1,267k (£1,726k in 2021), made up of donations and grants from trusts. Most significant are the donations from churches as this is FIEC's main source of fundraising. Affiliated church donations to unrestricted funds were £808k (£816k in 2021). Suggested donations are in line with the size of a church's membership and in the period were not increased at all in this financial year.

One of the reasons there has been a drop in overall funds in the period is because we held five regional Leaders' Conferences in our affiliation churches, rather than one large conference. This means that there is no income line in the period for this growing event because it could not take place in the same way in November 2021.

Income to the Training Fund stood at £43k (2021: £127k).

Income to the Mission Fund was £13k (2021: £644k). During the period we were able to provide funding to church plants recognised by FIEC to help pay for their governing documents to be set up to enable them to register with the Charity Commission. In 2022 we launched a Mission Fund grants initiative in line with our centenary, where we planned to give away just over £1m to churches from this fund. Grants were made in autumn 2022 and will be reported on in the 2023/24 Annual Report.

Donations from individuals for the General Fund were £257k (£74k in 2021). We are grateful to all who contribute in this way.

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Report of the Trust Board

For the year ended 31 August 2022

Expenditure

Total expenditure was £1,028k (£1,028k in 2021). The increase from the previous year was owing to the “return to normality” for many of our ministries, and therefore expenses increased. We also had the five regional Leaders’ Conferences to fund.

Reserves policy

FIEC aims to maintain free reserves (Unrestricted Funds less unrestricted fixed assets, debtors and stock) at a level sufficient to cover three months’ general expenditure, in order to give FIEC time to respond to unexpected developments. At the end of the period Available Unrestricted Funds were around ten months’ general expenditure. A deficit budget was planned for 2022/23 which will reduce the level of the reserves further, as FIEC wants to invest in ministries, not hoard funds.

Fundraising

Regulations require us to report each year on certain aspects of any fundraising by FIEC.

- FIEC does not use a professional fundraiser / commercial participator.
- The Trust Board approved a Statement of Fundraising Principles in January 2016 and a Fundraising Strategy in May 2016. It has not undertaken to be bound by any external voluntary scheme or standard, principally as it is not seeking donations from the general public. A review of compliance with the Trust Board Principles and Strategy is carried out annually by the FIEC Treasurer who reports to the Trust Board.
- There were no reported breaches of the above and no complaints were received during the period relating to fundraising.
- FIEC writes to acknowledge receipt of donations, sends supporters an annual thank you letter and produces a glossy magazine to review the year for personal supporters.

Trust Board Members' Responsibilities in relation to the financial statements

The Trust Board Members 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).

The law applicable to charities requires the Trust Board Members to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing these financial statements, the Trust Board Members are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards 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 Trust Board Members are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution. 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.

The Trust Board Members are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from other jurisdictions.

Approved by the Trust Board of the Fellowship on 7 February 2023 and signed on its behalf by:

Ian Jones
Chair

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Report of the Independent Auditors to the Trust Board Members of The Fellowship of Independent Evangelical Churches

Opinion

We have audited the financial statements of The Fellowship of Independent Evangelical Churches for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 charity's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trust Board members' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Report of the Trust Board, other than the financial statements and our auditor's report thereon. The Trust Board are responsible for the other information contained within the Report of the Trust Board. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 and Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trust Board Members report; or
- the charity has not kept adequate and proper accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trust Board members

As explained more fully in the Statement of Trust Board Members' Responsibilities, the Trust Board members 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 Trust Board members 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 Trust Board members are responsible for assessing the charity'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 Trust Board either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under Section 144 of the Charities Act 2011 and Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under those Acts.

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. We performed procedures including the following:

- Assessed the level of risk, including fraud risk, on the basis of a review of the charity's internal control procedures and the related separation of duties and responsibilities;
- Obtained third party confirmation of bank balances, together with confirmation of any restrictions, guarantees, indemnities and third party security;
- Obtained third party confirmation of investment loan balances;
- Checked disclosures in the financial statements together with testing sample items to supporting documentation and journal entries;
- Performed such walkthrough tests as necessary to determine the implementation of systems and controls;
- Reviewed all minutes of meetings held by the FIEC Trust Board during the year and subsequent to the year end.

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES
Report of the Independent Auditors to the Trust Board Members of
The Fellowship of Independent Evangelical Churches (continued)

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Trust Board members, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the Trust Board 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 Trust Board members, as a body, for our audit work, for this report, or for the opinions we have formed.

Philip John Dymond FCCA

Cheyettes Ltd
Chartered Certified Accountants and Statutory Auditors
167 London Road
Leicester, LE2 1EG
27 March 2023

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

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Statement of Financial Activities

For the year ended 31 August 2022

	<i>Note</i>	2022			2021
		<i>Unrestricted</i>	<i>Restricted</i>	<i>Total</i>	<i>Total</i>
		£	£	£	£
Income and endowments from:					
<i>Donations and legacies:</i>					
Donations	3	1,089,424	116,883	1,206,307	1,068,172
Grants	4	-	-	-	626,570
<i>Investments</i>	5	7,675	165	7,840	11,615
<i>Charitable activities:</i>					
Courses and conferences	6	49,008	-	49,008	1,629
Publications and literature	7	1,894	-	1,894	2,798
<i>Others</i>	8	1,654	-	1,654	14,806
Total income and endowments		<u>1,149,655</u>	<u>117,048</u>	<u>1,266,703</u>	<u>1,725,590</u>
Expenditure on:					
<i>Charitable activities:</i>					
Support to churches	9	575,760	1,793	577,553	451,811
Training and information	10	297,038	340,280	637,318	471,810
Outreach	11	45,871	11,618	57,489	51,375
Representation on and support of other evangelical organisations	12	45,580	-	45,580	39,221
Development		-	12,444	12,444	13,642
Total expenditure	13	<u>964,249</u>	<u>366,135</u>	<u>1,330,384</u>	<u>1,027,859</u>
Net income/(expenditure)		185,406	(249,087)	(63,681)	697,731
Transfers between funds	14	3,484	(3,484)	-	-
Net movement in funds		<u>188,890</u>	<u>(252,571)</u>	<u>(63,681)</u>	<u>697,731</u>
Fund balances brought forward		1,350,627	1,297,575	2,648,202	1,950,471
Fund balances carried forward		<u>1,539,517</u>	<u>1,045,004</u>	<u>2,584,521</u>	<u>2,648,202</u>

All recognised gains and losses are reflected through the Statement of Financial Activities and all activities were continuing.

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Balance Sheet

as at 31 August 2022

		2022		2021	
	Note	£	£	£	£
Fixed assets					
Tangible fixed assets held for charity use	16		891,503		901,490
Loans			<u>31,000</u>		<u>37,000</u>
			922,503		938,490
Current assets					
Stocks		8,261		10,563	
Debtors	17	72,959		36,405	
Short term deposits		1,110,720		1,110,092	
Cash at bank and in hand		<u>650,512</u>		<u>582,273</u>	
		1,842,452		1,739,333	
Creditors: Amounts falling due within one year	18	<u>(180,434)</u>		<u>(29,621)</u>	
Net current assets			<u>1,662,018</u>		<u>1,709,712</u>
Net assets			<u>2,584,521</u>		<u>2,648,202</u>
Funds					
Restricted	19		1,045,004		1,297,575
Unrestricted	20		<u>1,539,517</u>		<u>1,350,627</u>
Total charity funds	21		<u>2,584,521</u>		<u>2,648,202</u>

The financial statements were approved and authorised for issue by the Trust Board on 7 February 2023 and signed on their behalf by:

Ian Jones
Chair

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Statement of Cash Flows

For the year ended 31 August 2022

	2022		2021	
	£	£	£	£
Cash flows from operating activities				
<i>Cash generated from/(absorbed by) operations:</i>				
Income for the year		(63,681)		697,731
<i>Adjustment for:</i>				
Investment income recognised in statement of financial activities		(7,840)		(11,615)
Depreciation		20,419		18,032
(Gain)/loss on disposal of tangible fixed assets		1,502		-
<i>Movements in working capital:</i>				
(Increase)/decrease in stocks		2,302		1,491
(Increase)/decrease in debtors		(36,554)		(686)
Increase/(decrease) in creditors		<u>150,813</u>		<u>(13,869)</u>
		66,961		691,084
Investing activities				
Purchase of tangible fixed assets	(11,934)		(2,958)	
Repayment of loans from churches	6,000		12,000	
Interest and investment income	<u>7,840</u>		<u>11,615</u>	
Net cash generated from/(used in) investing activities		1,906		20,657
Financing activities				
Repayment of loans	<u>-</u>		<u>(400,000)</u>	
Net cash generated from/(used in) financing activities		-		(400,000)
Cash and cash equivalents at beginning of the year		<u>1,692,365</u>		<u>1,380,624</u>
Cash and cash equivalents at end of year		<u>1,761,232</u>		<u>1,692,365</u>

1 **ACCOUNTING POLICIES**

(a) **Accounting convention**

The Fellowship of Independent Evangelical Churches is a charitable incorporated organisation registered in England and Wales.

The charity constitutes a public benefit entity as defined by FRS 102. The 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements have been prepared to give a 'true and fair view' and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following 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 issued in October 2019 rather than Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements are prepared under the historical cost convention, presented in Sterling, which is the functional currency of the charity and rounded to the nearest Pound.

At the time of approving the financial statements, the Trust Board have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future and have thus adopted the going concern basis of accounting in preparing the financial statements.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years unless otherwise stated.

(b) **Depreciation**

No depreciation is provided on freehold land. Depreciation is provided on all other tangible fixed assets at rates calculated to write off the cost or valuation of each asset over its expected useful life as follows:

Freehold Buildings	–	1% straight line
Fixtures, fittings and equipment	–	20% straight line

A charge is made each year to the Office Property Fund to cover part of the depreciation charge in the same ratio that the assets are funded by the Office Property Fund.

(c) **Investments**

Investments are included at their market value. Realised and unrealised gains and losses are recognised in the Statement of Financial Activities.

(d) **Stock**

Stock is valued at the lower of cost and net realisable value.

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Notes to the Financial Statements

For the year ended 31 August 2022

(e) **Debtors and creditors receivable/payable within one year**

Debtors and creditors with no stated interest rate and receivable and payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(f) **Cash**

Short term highly liquid investments held at a fair value include cash on deposit and cash equivalents with a maturity of less than one year.

(g) **Income**

All income is included in the Statement of Financial Activities when the charity is legally entitled to it and the amount can be quantified with reasonable accuracy, except when income must be used in future accounting periods, the income is then deferred until those periods. Donations received for the general purposes of the Fellowship are included as unrestricted funds. Donations for activities restricted by the wishes of the donor which are accepted by FIEC are taken to restricted funds where these wishes are legally binding on the Trust Board. Legacies are recognised on receipt, or before receipt where there is sufficient evidence that the legacy will be received and its value can be measured with sufficient reliability. Investment assets donated are recognised as donations in the Statement of Financial Activities at the Trust Board members' estimate of market value when donated.

(h) **Expenditure**

Expenditure is brought to account as the amounts are due. Expenditure is analysed over the various activities of the Fellowship based on the time spent by members of staff.

(i) **Operating leases**

Rentals applicable to operating leases are charged as incurred, where substantially all the benefits and risks of ownership remain with the lessor.

(j) **Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity which have not been designated for any other purposes. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are created where a donor has stipulated a restriction on the use of their donation, or has responded to an appeal for a specific purpose. Endowments made in order to produce future income are taken to endowment funds where there is a prohibition on the use of the capital.

(k) **Pensions**

The pension costs charged in the financial statements represent the contributions payable by the charity during the year.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Notes to the Financial Statements

For the year ended 31 August 2022

3	Income from Donations	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
	Donations – Churches	807,842	53,864	861,706	908,793
	– Partners	173,541	45,184	218,725	99,307
	– Individuals/other	83,233	17,835	101,068	44,495
	Legacies	<u>24,808</u>	<u>-</u>	<u>24,808</u>	<u>15,577</u>
		<u>1,089,424</u>	<u>116,883</u>	<u>1,206,307</u>	<u>1,068,172</u>

In 2021 £147,608 of the above income was attributable to restricted and £920,564 to unrestricted funds.

4	Income from grants	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
	Grants - trusts	<u>-</u>	<u>-</u>	<u>-</u>	<u>626,570</u>

5	Income from investments	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
	Interest and investment income	<u>7,675</u>	<u>165</u>	<u>7,840</u>	<u>11,615</u>

In 2021 £510 of the above income was attributable to restricted and £11,105 to unrestricted funds.

6	Income from courses and conferences	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
	Course and conference fees	24,488	-	24,488	1,854
	Leaders Conference	<u>24,520</u>	<u>-</u>	<u>24,520</u>	<u>(225)</u>
		<u>49,008</u>	<u>-</u>	<u>49,008</u>	<u>1,629</u>

In 2021 all of the above income was attributable to unrestricted funds.

7	Income from publications and literature	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
	Primer	1,894	-	1,894	2,798
	Sale of publications and literature	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
		<u>1,894</u>	<u>-</u>	<u>1,894</u>	<u>2,798</u>

In 2021 all of the above income was attributable to unrestricted funds.

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Notes to the Financial Statements

For the year ended 31 August 2022

8	Other income	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
	Job Retention Scheme grants	-	-	-	5,348
	Other income	<u>1,654</u>	<u>-</u>	<u>1,654</u>	<u>9,458</u>
		<u>1,654</u>	<u>-</u>	<u>1,654</u>	<u>14,806</u>

In 2021 all of the above income was attributable to unrestricted funds.

9	Expenditure on support to churches	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
	Care and recognition of churches	72,572	289	72,861	53,385
	Preaching & Church Visits	117,854	-	117,854	78,518
	Information & Support	118,452	517	118,969	92,698
	Leaders Conference	70,898	-	70,898	26,543
	Theological Advice	1,554	-	1,554	182
	Womens' ministry	60,812	-	60,812	81,870
	London Team	605	-	605	-
	Administering church records	21,982	156	22,138	20,744
	Pastor's Network	43,759	485	44,244	34,135
	Pastoral care and support	67,272	346	67,618	58,240
	Church Revitalisation	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,496</u>
		<u>575,760</u>	<u>1,793</u>	<u>577,553</u>	<u>451,811</u>

In 2021 £1,793 of the above expenditure was attributable to restricted and £450,018 to unrestricted funds.

10	Expenditure on training and information	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
	Primer	15,467	-	15,467	17,276
	Media & Publicity	87,882	-	87,882	116,717
	Training Information, advice & support	102,646	-	102,646	91,168
	Church advice line	-	-	-	5,000
	Website & Database support	40,645	-	40,645	43,807
	Hub Conference	25,475	-	25,475	6,056
	Training Fund grants	-	340,280	340,280	185,455
	Other Conferences	<u>24,923</u>	<u>-</u>	<u>24,923</u>	<u>6,331</u>
		<u>297,038</u>	<u>340,280</u>	<u>637,318</u>	<u>471,810</u>

In 2021 £190,455 of the above expenditure was attributable to restricted and £281,355 to unrestricted funds.

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Notes to the Financial Statements

For the year ended 31 August 2022

11	Expenditure on outreach	<i>Unrestricted funds</i> £	<i>Restricted funds</i> £	<i>Total 2022</i> £	<i>Total 2021</i> £
	Mission Information & Support	41,558	11,618	53,176	47,194
	Mission projects and teams	<u>4,313</u>	<u>-</u>	<u>4,313</u>	<u>4,181</u>
		<u>45,871</u>	<u>11,618</u>	<u>57,489</u>	<u>51,375</u>

In 2021 £8,495 of the above expenditure was attributable to restricted and £42,880 to unrestricted funds.

12	Expenditure on representation and support of other Evangelical organisations	<i>Unrestricted funds</i> £	<i>Restricted funds</i> £	<i>Total 2022</i> £	<i>Total 2021</i> £
	Representation on other bodies	15,301	-	15,301	12,186
	Support of Affinity	<u>30,279</u>	<u>-</u>	<u>30,279</u>	<u>27,035</u>
		<u>45,580</u>	<u>-</u>	<u>45,580</u>	<u>39,221</u>

In 2021 all of the above expenditure was attributable to unrestricted funds.

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Notes to the Financial Statements

For the year ended 31 August 2022

13	Total resources expended	2022	2021
		£	£
	<i>Total resources expended includes:</i>		
	Depreciation	20,419	18,032
	Auditors' remuneration – for audit services	<u>5,082</u>	<u>4,860</u>
	Total staff costs comprise:		
	Salary costs	545,854	524,483
	Social security	54,617	45,215
	Pension contributions (including income protection cover)	<u>58,127</u>	<u>55,567</u>
		<u>658,598</u>	<u>625,265</u>

The costs of the employer defined contribution scheme pension payments have been allocated between activities and funds in accordance with the assignment of employment activities and the accounting policy on expenditure detailed at note 1.

The average monthly number of employees (head count) during the year was:	2022	2021
	No.	No.
Total	<u>19</u>	<u>20</u>

	2022	2021
	£	£
Travel expenses reimbursed to 11 (2021: 7) Trust Board members	<u>2,049</u>	<u>760</u>

No trustee received any remuneration and one employee had total earnings between £60,000 and £70,000 in the year.

14	Transfers between funds	
	Transfers represent the following:	£
	Between Restricted and Unrestricted Funds:	
	Transfer from Development Fund to the General Fund	<u>3,484</u>

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Notes to the Financial Statements

For the year ended 31 August 2022

15 Analysis of support costs

Support costs include the following:

	£
Accounting and payroll administration	19,413
Information technology	26,487
Governance	<u>10,986</u>
	<u>56,886</u>

These costs are analysed over the various activities of the Fellowship based on the time spent by members of the administrative staff:

Church Support	63.2%
Training and information	26.0%
Mission and Church Planting	5.5%
Representation on other evangelical organisations	3.7%
Others	1.6%

16 Tangible fixed assets

	<i>Freehold Land and Buildings</i>	<i>Fixtures Furniture and Equipment</i>	<i>Total</i>
Cost	£	£	£
At 1 September 2021	903,904	67,723	971,627
Additions	<u>-</u>	<u>11,934</u>	<u>11,934</u>
	903,904	79,657	983,561
Disposals	<u>-</u>	<u>(12,701)</u>	<u>(12,701)</u>
At 31 August 2022	<u>903,904</u>	<u>66,956</u>	<u>970,860</u>
Depreciation			
At 1 September 2021	22,332	47,807	70,139
Charge for the year	<u>7,444</u>	<u>12,973</u>	<u>20,417</u>
	29,776	60,780	90,556
Disposals	<u>-</u>	<u>(11,199)</u>	<u>(11,199)</u>
At 31 August 2022	<u>29,776</u>	<u>49,581</u>	<u>79,357</u>
Net book value			
At 31 August 2022	<u>874,128</u>	<u>17,375</u>	<u>891,503</u>
At 31 August 2021	<u>881,572</u>	<u>19,916</u>	<u>901,488</u>

Included in freehold land and buildings is non-depreciable land in the sum of £159,500 (2021 - £159,500).

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Notes to the Financial Statements

For the year ended 31 August 2022

17	Debtors	2022	2021
		£	£
	Other debtors	1,290	684
	Prepayments and accrued income	<u>71,669</u>	<u>35,721</u>
		<u>72,959</u>	<u>36,405</u>
18	Creditors: due within one year	2022	2021
		£	£
	Taxation and social security	11,698	13,118
	Deferred income	163,542	11,580
	Accruals	<u>5,194</u>	<u>4,923</u>
		<u>180,434</u>	<u>29,621</u>

Deferred income principally relates to future conferences and is released into income in the following year.

19	Restricted funds	Balance at 01.09.21	Incoming resources	Resources expended	Transfers & investment gains	Balance at 31.08.22
		£	£	£	£	£
	Benevolent fund	2,056	-	-	-	2,056
	Mission fund	498,544	13,540	11,111	-	500,973
	Dalling memorial fund	24,701	-	-	-	24,701
	Philip Henman trust fund	121,205	-	-	-	121,205
	Scottish Legacy fund	23,373	-	-	-	23,373
	Church Hardship Fund	-	42,500	-	-	42,500
	Development fund	7,064	18,000	12,444	(3,484)	9,136
	FIEC loan fund	99,465	165	-	-	99,630
	Training fund	383,822	42,843	340,280	-	86,385
	Connect for growth	6,233	-	-	-	6,233
	Property funds					
	Office property fund	<u>131,112</u>	<u>-</u>	<u>2,300</u>	<u>-</u>	<u>128,812</u>
		<u>1,297,575</u>	<u>117,048</u>	<u>366,135</u>	<u>(3,484)</u>	<u>1,045,004</u>

The restricted funds were established for the following purposes:

- Benevolent fund** – used to make gifts to ministers, partners, and affiliated church members, who are considered to be in need of financial assistance.
- Mission fund** – to provide support for church planting initiatives and other outreach initiatives within the UK.
- Dalling memorial fund** – to provide support to accredited ministers and their families in time of illness.
- Philip Henman trust fund** – supporting the work and outreach of the Fellowship.
- Scottish legacy fund** – to provide support for the work of the Fellowship in Scotland.

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Notes to the Financial Statements

For the year ended 31 August 2021

- (f) **Church Hardship Fund** – to provide support for churches which are struggling financially.
- (g) **Development fund** – meeting costs for specific projects made known by FIEC to develop the fundraising and administrative support functions of FIEC.
- (h) **FIEC loan fund** – this fund was previously used for making loans available to church plants and building projects to advance gospel work. Whilst there is still £31,000 out on loan, the fund has been converted (with Charity Commission approval) into a grant fund within the Mission fund so there will be no further loan applications accepted.
- (i) **Training fund** - to provide financial support to men and women from within the FIEC family of churches to assist in their formal training for gospel ministries. The Fund also provides help to FIEC Churches in establishing ministry posts as well as evangelism and church planting initiatives involving training appointments.
- (j) **Connect for growth** – to provide support for our relationship with the Mississippi Baptist Convention in the United States which sees church members from both sides of the Atlantic visit each other's churches to provide support with ministry and mission.
- (k) **Office property fund** – established with money given specifically for the purchase of the Fellowship's office and through transfers from other funds which were restricted as to their use for property purchase.

20	Unrestricted funds	Balance at 01.09.21 £	Incoming resources £	Resources expended £	Transfers & investment gains £	Balance at 31.08.22 £
	General fund	1,310,633	1,149,655	964,249	3,484	1,499,523
	Capital fund	<u>39,994</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>39,994</u>
		<u>1,350,627</u>	<u>1,149,655</u>	<u>964,249</u>	<u>3,484</u>	<u>1,539,517</u>

21 Net assets of the Fellowship's funds

The balances carried forward on the various funds are held as follows:

	Tangible fixed assets £	Investments and loans £	Net current assets £	2022 Total £
Restricted funds	128,812	31,000	885,192	1,045,004
Unrestricted funds	<u>762,691</u>	<u>-</u>	<u>776,826</u>	<u>1,539,517</u>
	<u>891,503</u>	<u>31,000</u>	<u>1,662,018</u>	<u>2,584,521</u>

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Notes to the Financial Statements

For the year ended 31 August 2022

23 Pension scheme

The Fellowship operates a defined contribution pension scheme. The assets are held separately from those of the Fellowship in independently administered funds. The pension costs incurred by the Fellowship to the funds totalled £54,983 (2021: £50,153).

24 Related party

The trustee directors of The Fellowship Property Trust are appointed by members of the charity. During the year ended 31st August 2022 the Trust was recharged various expenses of £1,300 (2021 - £945). In addition, the Trust charged rent to the charitable company of £4,000 (2021 - £4,000) and various expenses of £31,409 (2021 - £20,510).

Accounts

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

**Financial Statements
for the year ended
31 August 2021**

**Registered Charity no. (England and Wales) 1168037
Charity registered in Scotland no.SCo47080**

**Cheyettes Ltd
Chartered Certified Accountants
167 London Road
Leicester
LE2 1EG**

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Financial Statements

For the year ended 31 August 2021

CONTENTS	Page
Report of the Trust Board	1 to 9
Report of the Auditors	10 to 12
Statement of Financial Activities	13
Balance Sheet	14
Statement of Cash Flows	15
Notes to the Financial Statements	16 to 25

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Report of the Trust Board

For the year ended 31 August 2021

Members of the Trust Board have pleasure in submitting their report and the audited financial statements of The Fellowship of Independent Evangelical Churches (FIEC) for the year ended 31st August 2021. The trustees have adopted the Provisions of the Statement of Recommended Practice: 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) published in October 2019 and comply with the charity's governing document, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

Constitution

FIEC was constituted in November 1922 as an unincorporated organisation and became a Charitable Incorporated Organisation (CIO) with the same name and with similar charitable purposes in 2017. The CIO was registered with the Charity Commission on 5th July 2016 with the name under reference 1168037.

By Resolution of the Trust Board on 26th September 2017 the name of the charity number 263354 was changed from The Fellowship of Independent Evangelical Churches to The FIEC (Legacy) Charity. This is retained as a 'shell' charity, with an amended Constitution, solely for the purpose of dealing with the transfer of any potential future legacies left to the 'old' charity, for the benefit of the CIO charity.

In Scotland, FIEC was registered with the Office of the Scottish Charity Regulator (OSCR) under reference SCo40111. On 10th January 2017, OSCR registered the FIEC CIO under a new reference SCo47080 and contemporaneously deleted the 'old' charity. This was done in consultation with OSCR and following their advice.

Registered office

The registered office of FIEC is 41 The Point, Market Harborough LE16 7QU.

Advisers

The principal professional advisers to FIEC during the period were:

Solicitors:	Edward Connor Solicitors, Market Harborough
Auditors:	Cheyettes Ltd, Leicester
Bankers:	CAF Bank Ltd, West Malling

Objects

The objects of FIEC are to advance the evangelical Christian faith as expressed in the Doctrinal Basis of the Fellowship. These objects are furthered by:

- (a) "Promoting the unity and welfare of congregations of Christian believers which are undenominational in constitution or which have come to occupy a position of detachment from the denominational bodies with which they had been associated ... church(es) finding their unity on the basis of the common adherence to the ... doctrinal basis"
- (b) "Fostering and encouraging recognition of the essential oneness of the Church of Christ and at the same time recognising the liberty of each individual congregation to conduct its work and worship in accordance with its own interpretation of the teaching of Holy Scripture."
- (c) "Promoting united testimony to, and defending the beliefs set out in, the Doctrinal Basis."

The CIO charity objects are the same as the Legacy charity, with two clarifications. The 'congregations of Christian believers' are expressed in terms of 'churches of Christian believers'. In addition, churches find their unity on the basis of the common adherence to the doctrinal basis 'and the Ethos statements'.

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Report of the Trust Board

For the year ended 31 August 2021

Governance

Until 31 August 2017, FIEC was an unincorporated association with a Constitution as its governing document. Both under the unincorporated organisation and the CIO Constitution (as corporate successor to the FIEC from 1 September 2017), a general meeting of FIEC is held each November. This meeting has full responsibility for the direction of FIEC. Each affiliated church is entitled to appoint delegates to the general meeting, where major policy questions are decided and thereafter remitted to the Trust Board for executive action.

The trustees of the charity are the twelve members of the Trust Board. Potential Trust Board members are nominated by affiliated churches with an election at the general meeting each November of church delegates. Elected members serve for a period of three years and are eligible for re-election. In the event of a vacancy arising the Trust Board may co-opt a replacement member to serve until the next general meeting.

The Trust Board has considered the general guidance issued by the Charity Commission on public benefit and in particular, its supplementary guidance on the advancement of religion for the public benefit.

Affiliated churches are required to register with the Charity Commission where their income exceeds £100,000 per annum and / or where constituted as a Charitable Incorporated Organisation. Otherwise, churches are not currently able to make a new registration with the Charity Commission due to the Charities (Exception from Registration) Regulations 1996 which are currently set to continue to apply until 31st March 2031 through The Charities (Exception from Registration)(Amendment) Regulations 2014.

On accepting new churches into membership of FIEC, the Trust Board policy is for churches to have governing documents that are capable of being registered with the Charity Commission. If these are not currently in place, they are expected to work to rectify this within two years (24 months) of joining as a member church.

Trust Board members

Members are elected at FIEC's general meeting each November and start their period of service from 1st December following. Trust Board Members who served as trustees during the period and up to the date of approval of this Report were:

Colin Adams (appointed 1 st December 2021)	Michael Kendall (Chair)
Jonathan Bond (resigned 1 st February 2021)	Mark Lawrence
Peter Campbell (appointed 1 st December 2021)	Gareth Lewis
Timothy Diaper (appointed 1 st December 2020)	Alan McKnight (resigned 1 st December 2021)
Julian Hardyman	Paul Mallard
Michael Hitchings (appointed 1 st December 2021)	John Russell
William James	Peter Walkingshaw (resigned 1 st December 2021)
Ian Jones (Vice-Chair)	

At the general meeting in November 2020, Jonathan Bond, Ian Jones and Mike Kendall were elected for a further three-year term. Jonathan Bond subsequently resigned his position on 1st February 2021 under clause 8.1.3 of the CIO Constitution (he became a paid employee of the charity) and the Board decided against co-opting a member to the Trustees.

Induction and training of Trustees

New Trust Board members are informed of the Charity Commission guidance concerning the responsibilities of trustees and given an introductory presentation on the role of trustees. The Trust Board keeps under review the most appropriate means of ensuring regular, ongoing training for Trust Board members.

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Report of the Trust Board

For the year ended 31 August 2021

Organisational structure

The Trust Board is responsible for the governance and policy for FIEC. The implementation of the policy and the day to day management is delegated to the National Director, who is appointed by the Trust Board and approved by the general meeting. John Stevens has been in post as National Director since 2010. In addition to the FIEC National Director there are directors appointed by him with specific responsibilities. During this period the following Directors served:

Associate National Directors -	Adrian Reynolds Johnny Prime
Scotland & North of England Director -	Andy Hunter
London Director -	Trevor Archer
Mission Director -	Andy Paterson
Director for Smaller Churches -	Jonathan Bond (from Easter 2021)
Executive Director -	Phil Topham

The Ministry Directors based in Market Harborough (John Stevens, Johnny Prime and Adrian Reynolds) form the Senior Leadership Team along with the Scotland Director (Andy Hunter) and a senior member of the staff team (Executive Director Phil Topham). The Senior Management Team is assisted in carrying out its responsibilities by other staff and a number of voluntary advisory teams which provide advice and expertise. The National Recognition Team is established by the Trust Board with the assistance of the National Director to advise the Trust Board on churches to be admitted as members of FIEC and men to be admitted to the FIEC Pastors' Network.

The National Director also has an advisory group of Operational and Ministry Staff in addition to his team to include:

- **Women's Ministry Coordinators:** Rachel Sloan (appointed September 2020) & Elinor Magowan
- **Church Leadership Consultant:** Ray Evans
- **IT Manager:** Justin Gill
- **Finance Manager:** Tim Oldridge

The Senior Leadership Team meets weekly to discuss and implement policy and practical matters across the organisation. The wider Ministry Team (the Senior Leadership Team plus Trevor Archer, Andy Paterson, Rachel Sloan, Elinor Magowan, Jonathan Bond and Ray Evans) meets less frequently as an advisory group.

The Trust Board are members of The Fellowship Property Trust (which is a separate charity and company, and which prepares its own accounts) and as such, they appoint trustees to the Board of The Fellowship Property Trust.

Risk management

The Trust Board examines the major risks facing the charity on at least an annual basis, with ongoing monitoring provided by the Senior Leadership Team. Where relevant, the Trust Board ensures there are action plans in place to mitigate the greatest risks to reduce their likelihood and potential impact.

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Report of the Trust Board

For the year ended 31 August 2021

Policies are in place for:

- Conflicts of Interest & Loyalty
- Hospitality
- Accepting or Refusing Donations
- General Data Protection Rules
- Health and Safety at Work (incorporating Covid-Secure working)
- Safeguarding
- Working from Home
- Wellbeing

Activities and achievements

The FIEC strapline is:

"Independent Churches, working together to reach Britain for Christ".

This explains our ecclesiology (we are independent churches) and our fellowship (we want to work together in mission and evangelism).

Building on the work of the previous period, the Senior Leadership Team presented their Strategic Plan to the Trust Board in June 2021. This was interrogated before being adopted and the outworking of the plan was beginning to take shape by the end of the period.

Underpinning the Strategic Plan is considerable work done on evaluating what a healthy independent church looks like. This has shaped the areas of our ministry we need to invest in as part of the strategy. We have considered at length the support churches need from FIEC to help them in their everyday ministry.

This has resulted in an internal structural change to help deliver the Strategic Plan.

We are grouping our ministries into two main areas of work. Delivering our national ministries – by which we mean content and resources to churches on a national level – will be overseen by **Adrian Reynolds** who now has the title Head of National Ministries. Delivering our local ministries – by which we mean the relational work between churches and leaders, and also the Pastors' Network – will be overseen by **Johnny Prime** who now has the title Head of Local Ministries.

This structural change allows National Director **John Stevens** to focus on national engagement on behalf of FIEC and its churches – something that has flourished during the Covid Pandemic as he has represented the constituency to central government.

The staff team that offers administrative support to the ministries of FIEC and our member churches continues to be overseen by Executive Director **Phil Topham**.

Some of the tangible outcomes of this new way of working can be seen through the commissioning and launch of the FIEC podcast, the development of the Pastoral Support Team to help churches experiencing difficulty and the planning of five regional Leaders' Conferences in place of the national gathering owing to the Covid-19 pandemic.

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Report of the Trust Board

For the year ended 31 August 2021

The work of FIEC can be summarised as follows:

- Providing good resources for churches and (especially) their leaders
- Ensuring pastors and their marriages are spiritually healthy
- Accrediting pastors for ministry in independent churches
- Raising up the next generation of pastors and gospel workers
- Encouraging church planting and church revitalisation
- Promoting Women's Ministry in FIEC churches
- Ensuring that FIEC meets contemporary theological challenges facing churches and pastors
- Recruiting churches to join FIEC

In 2020/21 the priorities included:

- Weekly Webinars for church leaders entitled "Leadership in Lockdown" delivering advice and guidance in the pandemic
- Delivering The Hub conference online for those exploring routes into independent church ministry in January 2020
- Delivering regional Pastors' Network Conferences (32 took place online owing to the pandemic)
- Delivering Thrive at Home and The Ministry Wives Retreat at Home – conferences held online for women in ministry
- Publication of Primer – FIEC's theological resource
- Supporting the training of gospel workers through FIEC's Training Fund – funding both individuals and churches employing a gospel worker
- Continuing to see new churches join FIEC

In light of the Coronavirus pandemic, our national Leaders' Conference in 2020 was sadly cancelled. This was an inevitability given the restrictions in place at the time, though we were able to use Charity Commission guidelines to hold our AGM via Zoom video call.

We have had to regularly pivot to deliver the content churches have needed as various restrictions have emerged or changed. This has meant prioritizing content over and above some of our more regular ministries and offering church leaders more 1-2-1 interaction via video call to serve their ministry situations.

Towards the end of the period we invested a lot of effort in helping churches to think through reopening for regular worship after such a long time of restrictions. This involved a mix of pastoral guidance and practical guidance to encourage a return to normality. This was reflected in our planning for the upcoming 2021 Leaders' Conference which had the title "The Glorious Normal".

Here are some of the achievements during the period:

1. Delivering 32 Local Conferences for leaders

We organised 32 conferences for leaders up and down the country. Owing to the Covid-19 pandemic these took place online, and meant we couldn't follow-up the content from the national Leaders' Conference as it had not taken place in the period. 573 people attended these conferences in total and they focused on "Blind spots in ministry" with the talks available to view on the FIEC website.

2. Conferences for Women in Ministry

Thrive At Home and the Ministry Wives Retreat At Home took place in May 2021. Owing to the pandemic, the usual in-person events were replaced with these online versions. More than 100 women came along to the two retreats. Rachel Sloan spoke on "Adopted as Daughters" and there were seminars – "Finding Joy" and "Reflecting our Saviour" as well as breakout groups for fellowship and prayer.

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Report of the Trust Board

For the year ended 31 August 2021

3. Seeing new Churches join FIEC

16 Churches were accepted into membership of FIEC in the period. They have joined us from a range of backgrounds – among them are two FIEC church plants which have become fully independent churches.

4. Appointment of a new Women's Ministry Co-ordinator

During the period we were able to appoint Rachel Sloan as our Women's Ministry Coordinator. Rachel serves alongside Elinor Magowan and her particular focus will be on supporting women who are set apart for gospel ministry in FIEC churches.

5. Growth of our online ministries

During the period the FIEC website was visited by more than 188,000 people, which is a 17% increase on the previous year.

6. Weekly webinars

The "Leadership in Lockdown" webinars provided weekly guidance to churches about the Covid restrictions as well as focusing on one topic with a guest speaker or speakers. They were attended by 40+ leaders each week with many more watching afterwards. They were then made available on the FIEC website as videos and podcasts to serve as an archive.

7. Podcast Planning

At the end of the period, we began to record audio for a podcast for launch in the coming year. Several guests and topics were covered in the hope of producing this for leaders in late 2021.

Other developments and significant milestones during the period included:

- 6 new church plants recognised
- 3 churches closed, 3 resigned membership
- Church donations received for FIEC's General Fund of £816,000
- More than £185,000 donated to our Training Fund supporting 14 churches and 13 individuals
- 593 men as members of the Pastor's Network including:
 - 427 Serving Pastors
 - 40 Itinerant Pastors
 - 13 Prospective Pastors
 - 84 Retired Pastors
 - 29 Pastors-in-Training
- 50 Pastors added to the Network this year
- The 12th issue of our theological resource Primer published

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Report of the Trust Board

For the year ended 31 August 2021

Review of Financial Position

Income

Total income in all funds was £1,726k (£1,435k in 2020), made up of donations and grants from trusts. Most significant are the donations from churches as this is FIEC's main source of fundraising. Affiliated church donations to unrestricted funds were £816k (£765k in 2020). Suggested donations are in line with the size of a church's membership and in the period were not increased at all owing to the Covid-19 pandemic.

One of the reasons there has been a drop in unrestricted income in the period is because of the cancellation of our Leaders' Conference. This means that there is no income line in the period for this growing event because it could not take place owing to the pandemic.

Income to the Training Fund increased to £127k (2020: £80k).

Income to the Mission Fund was £644k (2020: ~£55k). During the period we were able to provide funding to church plants recognised by FIEC to help pay for their governing documents to be set up to enable them to register with the Charity Commission. In 2022 we hope to give away substantial funds from this pot to coincide with our Centenary celebrations.

Donations from individuals for the General Fund were £74k (£32k in 2020). We are grateful to all who contribute in this way.

Expenditure

Total expenditure was £1,028k (£2,251k in 2020). Day to day expenditure dropped considerably for two principal reasons. Firstly, because of the Coronavirus lockdown which meant travel expenses and other regular expenditure was not needed in the same way. Support to churches accounts for around half of FIEC's expenditure. Secondly, we did not give away money from the Mission Fund to the same extent we had in the previous year. Expenditure from this restricted fund fell by £745k as we had already given the money away to our churches.

Reserves policy

FIEC aims to maintain free reserves (Unrestricted Funds less unrestricted fixed assets, debtors and stock) at a level sufficient to cover three months' general expenditure, in order to give FIEC time to respond to unexpected developments. At the end of the period Available Unrestricted Funds were around seven months' general expenditure. A deficit budget was planned for 2021/22 which will reduce the level of the reserves.

A loan of £400k which was used to purchase a new office building at 41 The Point in the 2019-20 financial year was paid off in full at the beginning of the period as reported in the previous years' Trustees Annual Review.

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Report of the Trust Board

For the year ended 31 August 2021

Fundraising

Regulations require us to report each year on certain aspects of any fundraising by FIEC.

- FIEC does not use a professional fundraiser / commercial participator. However, FIEC employed a Development Manager until December 2018. One of her key activities was to raise additional income for FIEC.
- The Trust Board approved a Statement of Fundraising Principles in January 2016 and a Fundraising Strategy in May 2016. It has not undertaken to be bound by any external voluntary scheme or standard, principally as it is not seeking donations from the general public. A review of compliance with the Trust Board Principles and Strategy is carried out annually by the FIEC Treasurer who reports to the Trust Board.
- There were no reported breaches of the above and no complaints were received during the period relating to fundraising.
- FIEC writes to acknowledge receipt of donations, sends supporters an annual thank you letter and produces a glossy magazine to review the year for personal supporters.

Trust Board Members' Responsibilities in relation to the financial statements

The Trust Board Members 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).

The law applicable to charities requires the Trust Board Members to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing these financial statements, the Trust Board Members are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards 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 Trust Board Members are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution. 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.

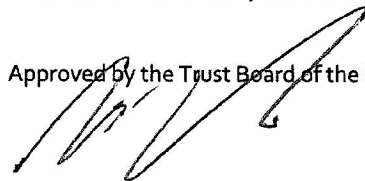
THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Report of the Trust Board

For the year ended 31 August 2021

The Trust Board Members are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from other jurisdictions.

Approved by the Trust Board of the Fellowship on



Michael Kendall
Chair

2022 and signed on its behalf by:

23.3.22:

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Report of the Independent Auditors to the Trust Board Members of

The Fellowship of Independent Evangelical Churches

Opinion

We have audited the financial statements of The Fellowship of Independent Evangelical Churches for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 charity's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trust Board members' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Report of the Trust Board, other than the financial statements and our auditor's report thereon. The Trust Board are responsible for the other information contained within the Report of the Trust Board. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 and Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trust Board Members report; or
- the charity has not kept adequate and proper accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trust Board members

As explained more fully in the Statement of Trust Board Members' Responsibilities, the Trust Board members 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 Trust Board members 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 Trust Board members are responsible for assessing the charity'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 Trust Board either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under Section 144 of the Charities Act 2011 and Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under those Acts.

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. We performed procedures including the following:

- Assessed the level of risk, including fraud risk, on the basis of a review of the charity's internal control procedures and the related separation of duties and responsibilities;
- Obtained third party confirmation of bank balances, together with confirmation of any restrictions, guarantees, indemnities and third party security;
- Obtained third party confirmation of investment loan balances;
- Checked disclosures in the financial statements together with testing sample items to supporting documentation and journal entries;
- Performed such walkthrough tests as necessary to determine the implementation of systems and controls;
- Reviewed all minutes of meetings held by the FIEC Trust Board during the year and subsequent to the year end.

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES
Report of the Independent Auditors to the Trust Board Members of
The Fellowship of Independent Evangelical Churches (continued)

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Trust Board members, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the Trust Board 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 Trust Board members, as a body, for our audit work, for this report, or for the opinions we have formed.

Philip John Dymond FCCA

Cheyettes Ltd
Chartered Certified Accountants and Statutory Auditors
167 London Road
Leicester, LE2 1EG

Date:

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

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Statement of Financial Activities

For the year ended 31 August 2021

	Note	2021			2020
		Unrestricted	Restricted	Total	Total
		£	£	£	£
Income and endowments from:					
<i>Donations and legacies:</i>					
Donations	3	920,564	147,608	1,068,172	1,141,335
Grants	4	-	626,570	626,570	-
<i>Investments</i>	5	11,105	510	11,615	14,380
<i>Charitable activities:</i>					
Courses and conferences	6	1,629	-	1,629	185,457
Publications and literature	7	2,798	-	2,798	6,756
<i>Others</i>	8	14,806	-	14,806	86,879
Total income and endowments		<u>950,902</u>	<u>774,688</u>	<u>1,725,590</u>	<u>1,434,807</u>
Expenditure on:					
<i>Charitable activities:</i>					
Support to churches	9	450,018	1,793	451,811	744,190
Training and information	10	281,355	190,455	471,810	637,426
Outreach	11	42,880	8,495	51,375	804,994
Grants and gifts	12	-	-	-	60
Representation on and support of other evangelical organisations	13	39,221	-	39,221	41,502
Development		-	13,642	13,642	22,984
Total expenditure	14	<u>813,474</u>	<u>214,385</u>	<u>1,027,859</u>	<u>2,251,156</u>
Net income/(expenditure)		137,428	560,303	697,731	(816,349)
Transfers between funds	15	3,260	(3,260)	-	-
Net movement in funds before revaluations and investment disposals		<u>140,688</u>	<u>557,043</u>	<u>697,731</u>	<u>(816,349)</u>
Net gains/(losses) on investments		-	-	-	-
Net movement in funds		<u>140,688</u>	<u>557,043</u>	<u>697,731</u>	<u>(816,349)</u>
Fund balances brought forward		1,209,939	740,532	1,950,471	2,766,820
Fund balances carried forward		<u>1,350,627</u>	<u>1,297,575</u>	<u>2,648,202</u>	<u>1,950,471</u>

All recognised gains and losses are reflected through the Statement of Financial Activities and all activities were continuing.

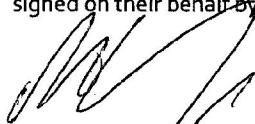
THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Balance Sheet

as at 31 August 2021

		2021		2020	
	Note	£	£	£	£
Fixed assets					
Tangible fixed assets held for charity use	17		901,490		916,564
Loans			<u>37,000</u>		<u>49,000</u>
			938,490		965,564
Current assets					
Stocks		10,563		12,054	
Debtors	18	36,405		35,719	
Short term deposits		1,110,092		759,142	
Cash at bank and in hand		<u>582,273</u>		<u>621,482</u>	
		1,739,333		1,428,397	
Creditors: Amounts falling due within one year	19	<u>(29,621)</u>		<u>(43,490)</u>	
Net current assets			<u>1,709,712</u>		<u>1,384,907</u>
Total assets less current liabilities			2,648,202		2,350,471
Creditors: Amounts falling due after one year	20		-		<u>(400,000)</u>
Net assets			<u>2,648,202</u>		<u>1,950,471</u>
Funds					
Restricted	21		1,297,575		740,532
Unrestricted	22		<u>1,350,627</u>		<u>1,209,939</u>
Total charity funds	23		<u>2,648,202</u>		<u>1,950,471</u>

The financial statements were approved and authorised for issue by the Trust Board on 23/03/2022 and signed on their behalf by:



Michael Kendall
Chair

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Statement of Cash Flows

For the year ended 31 August 2021

	2021		2020	
	£	£	£	£
Cash flows from operating activities				
<i>Cash generated from/(absorbed by) operations:</i>				
Income for the year		697,731		(816,349)
<i>Adjustment for:</i>				
Investment income recognised in statement of financial activities		(11,615)		(14,380)
Depreciation		18,032		20,883
(Gain)/loss on disposal of tangible fixed assets		-		(63,035)
<i>Movements in working capital:</i>				
(Increase)/decrease in stocks		1,491		32
(Increase)/decrease in debtors		(686)		6,286
Increase/(decrease) in creditors		<u>(13,869)</u>		<u>(104,515)</u>
		691,084		(971,078)
Investing activities				
Purchase of tangible fixed assets	(2,958)		(1,912)	
Proceeds on disposal of fixed assets	-		279,670	
Repayment of loans from churches	12,000		25,879	
Interest and investment income	<u>11,615</u>		<u>14,380</u>	
Net cash generated from/(used in) investing activities		20,657		318,017
Financing activities				
Repayment of loans	<u>(400,000)</u>		-	
Net cash generated from/(used in) financing activities		(400,000)		-
Cash and cash equivalents at beginning of the year		<u>1,380,624</u>		<u>2,033,685</u>
Cash and cash equivalents at end of year		<u>1,692,365</u>		<u>1,380,624</u>

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Notes to the Financial Statements

For the year ended 31 August 2021

1 ACCOUNTING POLICIES

(a) Accounting convention

The Fellowship of Independent Evangelical Churches is a charitable incorporated organisation registered in England and Wales.

The charity constitutes a public benefit entity as defined by FRS 102. The 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements have been prepared to give a 'true and fair view' and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following 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 issued in October 2019 rather than Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements are prepared under the historical cost convention, presented in Sterling, which is the functional currency of the charity and rounded to the nearest Pound.

At the time of approving the financial statements, the Trust Board have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future and have thus adopted the going concern basis of accounting in preparing the financial statements.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years unless otherwise stated.

(b) Depreciation

No depreciation is provided on freehold land. Depreciation is provided on all other tangible fixed assets at rates calculated to write off the cost or valuation of each asset over its expected useful life as follows:

Freehold Buildings	–	1% straight line
Fixtures, fittings and equipment	–	20% straight line

A charge is made each year to the Office Property Fund to cover part of the depreciation charge in the same ratio that the assets are funded by the Office Property Fund.

(c) Investments

Investments are included at their market value. Realised and unrealised gains and losses are recognised in the Statement of Financial Activities.

(d) Stock

Stock is valued at the lower of cost and net realisable value.

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Notes to the Financial Statements

For the year ended 31 August 2021

- (e) **Debtors and creditors receivable/payable within one year**
Debtors and creditors with no stated interest rate and receivable and payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.
- (f) **Cash**
Short term highly liquid investments held at a fair value include cash on deposit and cash equivalents with a maturity of less than one year.
- (g) **Income**
All income is included in the Statement of Financial Activities when the charity is legally entitled to it and the amount can be quantified with reasonable accuracy, except when income must be used in future accounting periods, the income is then deferred until those periods. Donations received for the general purposes of the Fellowship are included as unrestricted funds. Donations for activities restricted by the wishes of the donor which are accepted by FIEC are taken to restricted funds where these wishes are legally binding on the Trust Board. Legacies are recognised on receipt, or before receipt where there is sufficient evidence that the legacy will be received and its value can be measured with sufficient reliability. Investment assets donated are recognised as donations in the Statement of Financial Activities at the Trust Board members' estimate of market value when donated.
- (h) **Expenditure**
Expenditure is brought to account as the amounts are due. Expenditure is analysed over the various activities of the Fellowship based on the time spent by members of staff.
- (i) **Operating leases**
Rentals applicable to operating leases are charged as incurred, where substantially all the benefits and risks of ownership remain with the lessor.
- (j) **Fund accounting**
General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity which have not been designated for any other purposes. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are created where a donor has stipulated a restriction on the use of their donation, or has responded to an appeal for a specific purpose. Endowments made in order to produce future income are taken to endowment funds where there is a prohibition on the use of the capital.
- (k) **Pensions**
The pension costs charged in the financial statements represent the contributions payable by the charity during the year.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Notes to the Financial Statements

For the year ended 31 August 2021

3	Income from Donations	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
	Donations – Churches	815,662	93,131	908,793	844,233
	– Partners	46,934	52,373	99,307	129,155
	– Individuals/other	42,391	2,104	44,495	167,947
	Legacies	<u>15,577</u>	<u>-</u>	<u>15,577</u>	<u>-</u>
		<u>920,564</u>	<u>147,608</u>	<u>1,068,172</u>	<u>1,141,335</u>

In 2020 £186,723 of the above income was attributable to restricted and £954,612 to unrestricted funds.

4	Income from grants	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
	Grants - trusts	<u>-</u>	<u>626,570</u>	<u>626,570</u>	<u>-</u>

5	Income from investments	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
	Interest and investment income	<u>11,105</u>	<u>510</u>	<u>11,615</u>	<u>14,380</u>

In 2020 £113 of the above income was attributable to restricted and £14,267 to unrestricted funds.

6	Income from courses and conferences	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
	Course and conference fees	1,854	-	1,854	16,934
	Leaders Conference	<u>(225)</u>	<u>-</u>	<u>(225)</u>	<u>168,523</u>
		<u>1,629</u>	<u>-</u>	<u>1,629</u>	<u>185,457</u>

In 2020 all of the above income was attributable to unrestricted funds.

7	Income from publications and literature	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
	Primer	2,798	-	2,798	6,753
	Sale of publications and literature	<u>-</u>	<u>-</u>	<u>-</u>	<u>3</u>
		<u>2,798</u>	<u>-</u>	<u>2,798</u>	<u>6,756</u>

In 2020 all of the above income was attributable to unrestricted funds.

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Notes to the Financial Statements

For the year ended 31 August 2021

8	Other income	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
	Gain on disposal of fixed assets	-	-	-	63,035
	Job Retention Scheme grants	5,348	-	5,348	23,841
	Other income	<u>9,458</u>	<u>-</u>	<u>9,458</u>	<u>3</u>
		<u>14,806</u>	<u>-</u>	<u>14,806</u>	<u>86,879</u>

In 2020 all of the above income was attributable to unrestricted funds.

9	Expenditure on support to churches	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
	Care and recognition of churches	53,096	289	53,385	55,602
	Preaching & Church Visits	78,518	-	78,518	82,752
	Information & Support	92,181	517	92,698	108,456
	Leaders Conference	26,543	-	26,543	180,790
	Theological Advice	182	-	182	-
	Womens' ministry	81,870	-	81,870	63,431
	London Team	-	-	-	1,116
	Administering church records	20,588	156	20,744	25,315
	Pastor's Network	33,650	485	34,135	41,414
	Pastoral care and support	57,894	346	58,240	58,004
	Church Revitalisation	<u>5,496</u>	<u>-</u>	<u>5,496</u>	<u>127,310</u>
		<u>450,018</u>	<u>1,793</u>	<u>451,811</u>	<u>744,190</u>

In 2020 £129,103 of the above expenditure was attributable to restricted and £615,087 to unrestricted funds.

10	Expenditure on training and information	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
	Together magazine	-	-	-	21,528
	Primer	17,276	-	17,276	19,086
	Media & Publicity	116,717	-	116,717	100,869
	Training Information, advice & support	91,168	-	91,168	101,270
	Church advice line	-	5,000	5,000	30,000
	Website & Database support	43,807	-	43,807	42,937
	Hub Conference	6,056	-	6,056	22,002
	Training Fund grants	-	185,455	185,455	293,116
	Other Conferences	<u>6,331</u>	<u>-</u>	<u>6,331</u>	<u>6,618</u>
		<u>281,355</u>	<u>190,455</u>	<u>471,810</u>	<u>637,426</u>

In 2020 £323,116 of the above expenditure was attributable to restricted and £314,310 to unrestricted funds.

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Notes to the Financial Statements

For the year ended 31 August 2021

11	Expenditure on outreach	<i>Unrestricted funds</i> £	<i>Restricted funds</i> £	<i>Total 2021</i> £	<i>Total 2020</i> £
	Mission Information & Support	38,699	8,495	47,194	796,703
	Mission projects and teams	<u>4,181</u>	<u>-</u>	<u>4,181</u>	<u>8,291</u>
		<u>42,880</u>	<u>8,495</u>	<u>51,375</u>	<u>804,994</u>

In 2020 £757,136 of the above expenditure was attributable to restricted and £47,858 to unrestricted funds.

12	Expenditure on grants and gifts	<i>Unrestricted funds</i> £	<i>Restricted funds</i> £	<i>Total 2021</i> £	<i>Total 2020</i> £
	Benevolent gifts	<u>-</u>	<u>-</u>	<u>-</u>	<u>60</u>

Grants and gifts from restricted funds were comprised as follows:

o (2020: 1) individual	-	<u>60</u>
	<u>-</u>	<u>60</u>

In 2020 all of the above expenditure was attributable to restricted funds.

13	Expenditure on representation and support of other Evangelical organisations	<i>Unrestricted funds</i> £	<i>Restricted funds</i> £	<i>Total 2021</i> £	<i>Total 2020</i> £
	Representation on other bodies	12,186	-	12,186	13,287
	Support of Affinity	<u>27,035</u>	<u>-</u>	<u>27,035</u>	<u>28,215</u>
		<u>39,221</u>	<u>-</u>	<u>39,221</u>	<u>41,502</u>

In 2020 all of the above expenditure was attributable to unrestricted funds.

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Notes to the Financial Statements

For the year ended 31 August 2021

14	Total resources expended	2021	2020
		£	£
	<i>Total resources expended includes:</i>		
	Depreciation	18,032	20,883
	Auditors' remuneration – for audit services	<u>4,860</u>	<u>4,860</u>
	Total staff costs comprise:		
	Salary costs	524,483	500,554
	Social security	45,215	42,171
	Pension contributions (including income protection cover)	<u>55,567</u>	<u>45,803</u>
		<u>625,265</u>	<u>588,528</u>

The costs of the employer defined benefit pension contributions have been allocated between activities and funds in accordance with the assignment of employment activities and the accounting policy on expenditure detailed at note 1.

The average number of salaried employees during the year was:	No.	No.
<i>Full-time</i>		
Other staff	11	9
	<u>11</u>	<u>9</u>
<i>Part-time</i>		
Other staff	9	9
	<u>9</u>	<u>9</u>
	2020	2019
	£	£
Travel expenses reimbursed to 7 (2020: 12) Trust Board members	<u>760</u>	<u>1,849</u>

No trustee received any remuneration and no employee had earnings of over £60,000 in the year.

15	Transfers between funds	
	Transfers represent the following:	£
	Between Restricted and Unrestricted Funds:	
	Transfer from Development Fund to the General Fund	<u>3,260</u>
	Between Unrestricted Funds:	
	Transfer from the General Fund to the Capital Fund	<u>5,000</u>
	Between Restricted Funds:	
	Transfer from the Mission Fund to the Training Fund	<u>272,000</u>

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Notes to the Financial Statements

For the year ended 31 August 2021

16 Analysis of support costs

Support costs include the following:

	£
Accounting and payroll administration	19,017
Information technology	26,734
Governance	8,506
	<u>54,257</u>

These costs are analysed over the various activities of the Fellowship based on the time spent by members of the administrative staff:

Church Support	57.1%
Training and information	31.5%
Mission and Church Planting	5.50%
Representation on other evangelical organisations	3.1%
Others	2.8%

17 Tangible fixed assets

	<i>Freehold Land and Buildings</i>	<i>Fixtures Furniture and Equipment</i>	<i>Total</i>
Cost	£	£	£
At 1 September 2020	903,904	64,764	968,668
Additions	-	2,959	2,959
	903,904	67,723	971,627
Disposals	-	-	-
At 31 August 2021	<u>903,904</u>	<u>67,723</u>	<u>971,627</u>
Depreciation			
At 1 September 2020	14,888	37,217	52,105
Charge for the year	7,444	10,588	18,032
	22,332	47,805	70,137
Disposals	-	-	-
At 31 August 2021	<u>22,332</u>	<u>47,805</u>	<u>70,137</u>
Net book value			
At 31 August 2021	<u>881,572</u>	<u>19,918</u>	<u>901,490</u>
At 31 August 2020	<u>889,016</u>	<u>27,547</u>	<u>916,563</u>

Included in freehold land and buildings is non-depreciable land in the sum of £159,500 (2020 - £159,500).

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Notes to the Financial Statements

For the year ended 31 August 2021

18	Debtors					
				2021	2020	
				£	£	
	Other debtors			684	776	
	Prepayments and accrued income			<u>35,721</u>	<u>34,943</u>	
				<u>36,405</u>	<u>35,719</u>	
19	Creditors: due within one year			2021	2020	
				£	£	
	Taxation and social security			13,118	19,569	
	Deferred income			11,580	6,389	
	Accruals			<u>4,923</u>	<u>17,532</u>	
				<u>29,621</u>	<u>43,490</u>	
	All deferred income is released into income in the following year.					
20	Creditors: due after one year			2021	2020	
				£	£	
	Loans payable other than by instalments due in 2 – 5 years			<u>-</u>	<u>400,000</u>	
21	Restricted funds	Balance at 01.09.20	Incoming resources	Resources expended	Transfers & investment gains	Balance at 31.08.21
		£	£	£	£	£
	Benevolent fund	56	2,000	-	-	2,056
	Mission fund	133,830	644,702	7,988	(272,000)	498,544
	Dalling memorial fund	24,701	-	-	-	24,701
	Philip Henman trust fund	121,205	-	-	-	121,205
	Advice Line	5,000	-	5,000	-	-
	Scottish Legacy fund	23,373	-	-	-	23,373
	Development fund	23,966	-	13,642	(3,260)	7,064
	FIEC loan fund	98,955	510	-	-	99,465
	Training fund	169,801	127,476	185,455	272,000	383,822
	Connect for growth	6,233	-	-	-	6,233
	Property funds					
	Office property fund	<u>133,412</u>	<u>-</u>	<u>2,300</u>	<u>-</u>	<u>131,112</u>
		<u>740,532</u>	<u>774,688</u>	<u>214,385</u>	<u>(3,260)</u>	<u>1,297,575</u>

The restricted funds were established for the following purposes:

- (a) **Benevolent fund** – used to make gifts to ministers, partners, and affiliated church members, who are considered to be in need of financial assistance.
- (b) **Mission fund** – to provide support for church planting initiatives and other outreach initiatives within the UK.
- (c) **Dalling memorial fund** – to provide support to accredited ministers and their families in time of illness.

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Notes to the Financial Statements

For the year ended 31 August 2021

- (d) **Philip Henman trust fund** – supporting the work and outreach of the Fellowship.
- (e) **Advice line** – The advice line is run by Edward Connor Solicitors for FIEC and provides a first point of contact to FIEC churches for legal advice and support.
- (f) **Scottish legacy fund** – to provide support for the work of the Fellowship in Scotland.
- (g) **Development fund** – meeting costs for specific projects made known by FIEC to develop the fundraising and administrative support functions of FIEC.
- (h) **FIEC loan fund** – this fund was previously used for making loans available to church plants and building projects to advance gospel work. Whilst there is still £37,000 out on loan, the fund has been converted (with Charity Commission approval) into a grant fund within the Mission fund so there will be no further loan applications accepted.
- (i) **Training fund** - to provide financial support to men and women from within the FIEC family of churches to assist in their formal training for gospel ministries. The Fund also provides help to FIEC Churches in establishing ministry posts as well as evangelism and church planting initiatives involving training appointments.
- (j) **Connect for growth** – to provide support for our relationship with the Mississippi Baptist Convention in the United States which sees church members from both sides of the Atlantic visit each other's churches to provide support with ministry and mission.
- (k) **Office property fund** – established with money given specifically for the purchase of the Fellowship's office and through transfers from other funds which were restricted as to their use for property purchase.

22	Unrestricted funds	Balance at 01.09.20 £	Incoming resources £	Resources expended £	Transfers & investment gains £	Balance at 31.08.21 £
	General fund	1,174,945	950,902	813,474	(1,740)	1,310,633
	Capital fund	<u>34,994</u>	<u>-</u>	<u>-</u>	<u>5,000</u>	<u>39,994</u>
		<u>1,209,939</u>	<u>950,902</u>	<u>813,474</u>	<u>3,260</u>	<u>1,350,627</u>

23 Net assets of the Fellowship's funds

The balances carried forward on the various funds are held as follows:

	Tangible fixed assets £	Investments and loans £	Net current assets £	2021 Total £
Restricted funds	131,112	37,000	1,129,463	1,297,575
Unrestricted funds	<u>770,378</u>	<u>-</u>	<u>580,249</u>	<u>1,350,627</u>
	<u>901,490</u>	<u>37,000</u>	<u>1,709,712</u>	<u>2,648,202</u>

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Notes to the Financial Statements

For the year ended 31 August 2021

24 Pension scheme

The Fellowship operates a defined contribution pension scheme. The assets are held separately from those of the Fellowship in independently administered funds. The pension costs incurred by the Fellowship to the funds totalled £50,153 (2020: £42,596).

25 Related party

The trustee directors of The Fellowship Property Trust are appointed by members of the charity. During the year ended 31st August 2021 the Trust was recharged various expenses of £945 (2020 - £5,580). In addition, the Trust charged rent to the charitable company of £4,000 (2020 - £4,000) and various expenses of £20,510 (2020 - £17,182).

Accounts

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

**Financial Statements
for the year ended
31 August 2020**

**Registered Charity no. (England and Wales) 1168037
Charity registered in Scotland no. SC047080**

**Cheyettes Ltd
Chartered Certified Accountants
167 London Road
Leicester
LE2 1EG**

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Financial Statements

For the year ended 31 August 2020

CONTENTS	Page
Report of the Trust Board	1 to 9
Report of the Auditors	10 to 12
Statement of Financial Activities	13
Balance Sheet	14
Statement of Cash Flows	15
Notes to the Financial Statements	16 to 25

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Report of the Trust Board

For the year ended 31 August 2020

Members of the Trust Board have pleasure in submitting their report and the audited financial statements of The Fellowship of Independent Evangelical Churches (FIEC) for the year ended 31st August 2020. The trustees have adopted the Provisions of the Statement of Recommended Practice: 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) published in October 2019 and comply with the charity's governing document, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

Constitution

FIEC was constituted in November 1922 as an unincorporated organisation and became a Charitable Incorporated Organisation (CIO) with the same name and with similar charitable purposes in 2017. The CIO was registered with the Charity Commission on 5th July 2016 with the name under reference 1168037.

By Resolution of the Trust Board on 26th September 2017 the name of the charity number 263354 was changed from The Fellowship of Independent Evangelical Churches to The FIEC (Legacy) Charity. This is retained as a 'shell' charity, with an amended Constitution, solely for the purpose of dealing with the transfer of any potential future legacies left to the 'old' charity, for the benefit of the CIO charity.

In Scotland FIEC was registered with the Office of the Scottish Charity Regulator (OSCR) under reference SC040111. On 10th January 2017, OSCR registered the FIEC CIO under a new reference SC047080 and contemporaneously deleted the 'old' charity. This was done in consultation with OSCR and following their advice.

Registered office

The registered office of FIEC is 41 The Point, Market Harborough LE16 7QU.

Advisers

The principal professional advisers to FIEC during the period were:

Solicitors:	Edward Connor Solicitors, Market Harborough
Auditors:	Cheyettes Ltd, Leicester
Bankers:	CAF Bank Ltd, West Malling

Objects

The objects of FIEC are to advance the evangelical Christian faith as expressed in the Doctrinal Basis of the Fellowship. These objects are furthered by:

- (a) "Promoting the unity and welfare of congregations of Christian believers which are undenominational in constitution or which have come to occupy a position of detachment from the denominational bodies with which they had been associated ... church(es) finding their unity on the basis of the common adherence to the ... doctrinal basis"
- (b) "Fostering and encouraging recognition of the essential oneness of the Church of Christ and at the same time recognising the liberty of each individual congregation to conduct its work and worship in accordance with its own interpretation of the teaching of Holy Scripture."
- (c) "Promoting united testimony to, and defending the beliefs set out in, the Doctrinal Basis."

The CIO charity objects are the same as the Legacy charity, with two clarifications. The 'congregations of Christian believers' are expressed in terms of 'churches of Christian believers'. In addition, churches find their unity on the basis of the common adherence to the doctrinal basis 'and the Ethos statements'.

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Report of the Trust Board

For the year ended 31 August 2020

Governance

Until 31 August 2017, FIEC was an unincorporated association with a Constitution as its governing document. Both under the unincorporated organisation and the CIO Constitution (as corporate successor to the FIEC from 1 September 2017), a general meeting of FIEC is held each November. This meeting has full responsibility for the direction of FIEC. Each affiliated church is entitled to appoint delegates to the general meeting, where major policy questions are decided and thereafter remitted to the Trust Board for executive action.

The trustees of the charity are the twelve members of the Trust Board. Potential Trust Board members are nominated by affiliated churches with an election at the general meeting each November of church delegates. Elected members serve for a period of three years and are eligible for re-election. In the event of a vacancy arising the Trust Board may co-opt a replacement member to serve until the next general meeting.

The Trust Board has considered the general guidance issued by the Charity Commission on public benefit and in particular, its supplementary guidance on the advancement of religion for the public benefit.

Affiliated churches are required to register with the Charity Commission where their income exceeds £100,000 per annum and / or where constituted as a Charitable Incorporated Organisation. Otherwise, churches are not currently able to make a new registration with the Charity Commission due to the Charities (Exception from Registration) Regulations 1996 which are currently set to continue to apply until 31st March 2021 through The Charities (Exception from Registration)(Amendment) Regulations 2014.

On accepting new churches into membership of FIEC, the Trust Board policy is for churches to have governing documents that are capable of being registered with the Charity Commission. If these are not currently in place, they are expected to work to rectify this within twelve months of joining as a member church.

Trust Board members

Members are elected at FIEC's general meeting each November and start their period of service from 1st December following. Trust Board Members who served as trustees during the period and up to the date of approval of this Report were:

Jonathan Bond	Alan McKnight
Julian Hardyman	Paul Mallard
William James	John Russell (appointed 1 st December 2019)
Ian Jones (Vice-Chair)	Spencer Shaw (resigned 1 st December 2019)
Michael Kendall (Chair)	Gregory Strain (resigned 1 st December 2019)
Mark Lawrence	Jonathan Thomas (resigned 24 th October 2019)
Gareth Lewis (appointed 1 st December 2019)	Peter Walkingshaw

At the general meeting in November 2019, Mark Lawrence and Bill James were elected for a further three-year term. Jonathan Thomas resigned on 24th October 2019 and the Board decided against co-opting a member to the Trustees.

Induction and training of Trustees

New Trust Board members are informed of the Charity Commission guidance concerning the responsibilities of trustees and given an introductory presentation on the role of trustees. The Trust Board keeps under review the most appropriate means of ensuring regular, ongoing training for Trust Board members.

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Report of the Trust Board

For the year ended 31 August 2020

Organisational structure

The Trust Board is responsible for the governance and policy for FIEC. The implementation of the policy and the day to day management is delegated to the National Director, who is appointed by the Trust Board and approved by the general meeting. John Stevens has been in post as National Director since 2010. In addition to the FIEC National Director there are directors appointed by him with specific responsibilities. During this period the following Directors served:

Associate National Directors -	Adrian Reynolds Johnny Prime Andrew Nicolson (retired in November 2019)
Scotland & North of England Director -	Andy Hunter
London Director -	Trevor Archer
Mission Director -	Andy Paterson
Executive Director -	Phil Topham

The Ministry Directors based in Market Harborough (John Stevens, Johnny Prime and Adrian Reynolds) form the Senior Leadership Team along with a senior member of the staff team (Executive Director Phil Topham). The Senior Management Team is assisted in carrying out its responsibilities by other staff and a number of voluntary advisory teams which provide advice and expertise. The National Recognition Team is established by the Trust Board with the assistance of the National Director to advise the Trust Board on churches to be admitted as members of FIEC and men to be admitted to the FIEC Pastors' Network.

The National Director also has an advisory group of Operational and Ministry Staff in addition to his team to include:

- **Women's Ministry Coordinators:** Elisabeth Smyth (retired at the end of the period) & Elinor Magowan
- **Church Leadership Consultant:** Ray Evans
- **IT Manager:** Justin Gill
- **Finance Manager:** Tim Oldridge

The Senior Leadership Team meets weekly to discuss and implement policy and practical matters across the organisation. The wider Ministry Team (the Senior Leadership Team plus Andy Hunter, Trevor Archer, Andy Paterson, Elisabeth Smyth, Elinor Magowan and Ray Evans) meets less frequently as an advisory group.

The Trust Board are members of The Fellowship Property Trust (which is a separate charity and company, and which prepares its own accounts) and as such, they appoint trustees to the Board of The Fellowship Property Trust.

Risk management

The Trust Board examines the major risks facing the charity on at least an annual basis, with ongoing monitoring provided by the Senior Leadership Team. Where relevant, the Trust Board ensures there are action plans in place to mitigate the greatest risks to reduce their likelihood and potential impact.

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Report of the Trust Board

For the year ended 31 August 2020

Policies are in place for:

- Conflicts of Interest & Loyalty
- Hospitality
- Accepting or Refusing Donations
- General Data Protection Rules
- Complaints
- Financial Controls
- Covid-Secure working (drafted in August 2020)

Activities and achievements

The FIEC strapline is:

"Independent Churches, working together to reach Britain for Christ".

This explains our ecclesiology (we are independent churches) and our fellowship (we want to work together in mission and evangelism).

The Senior Leadership Team have spent considerable time in the period reshaping the FIEC Strategic Plan, but this has been somewhat hampered by the Coronavirus pandemic which hit all sectors in March 2020. A paper shaping FIEC Values based on Paul's letters in the new Testament was welcomed by the Trustees at their meeting in May 2020.

Considerable work has been done on evaluating what a healthy independent church looks like with a longer-term view of shaping our work to support that outcome in churches affiliated to the Fellowship. In other words, what support do churches need from FIEC to help them in their everyday ministry?

Two tangible outcomes of that, have already been seen during the coronavirus pandemic with the launch of a weekly webinar for churches called "Leadership in Lockdown" and the launch of a website feature designed to let churches post topics for prayer to encourage and foster that "working together" from our strapline.

The work of FIEC can be summarised as follows:

- Providing good leadership resources for churches
- Ensuring pastors and their marriages are spiritually healthy
- Accrediting pastors for ministry in independent churches
- Raising up the next generation of pastors and gospel workers
- Encouraging church planting and church revitalisation
- Promoting Women's Ministry in FIEC churches
- Ensuring that FIEC meets contemporary theological challenges facing churches and pastors
- Recruiting churches to join FIEC

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Report of the Trust Board

For the year ended 31 August 2020

In 2019/20 the priorities included:

- Delivering the FIEC Leaders' Conference (950 delegates in November 2019, more than ever before)
- Delivering the Hub conference for those exploring routes into Independent church ministry
- Delivering regional Pastors' Network Conferences (32 planned in 2019/20 – though not all took place due to the pandemic, some were delivered online and others cancelled)
- Thanks to a generous donation in Autumn 2019, we were able to provide grants of £850,000 to churches from our Mission Fund in Spring 2020
- The launch of the FIEC weekly webinars
- The launch of a new website fiec.org.uk
- The launch of the FIEC podcast
- Publication of two editions of Primer – FIEC's theological resource
- Contributing to Independent Ministry Courses at Oak Hill College and Edinburgh Theological Seminary
- Supporting the training of gospel workers through FIEC's Training Fund – funding both individuals and churches employing a gospel worker
- Continuing to see new churches join the FIEC
- Delivering two London Gatherings for pastors and leaders in the capital (September 2019 and February 2020)

In light of the Coronavirus pandemic it was inevitable that some of our ministries could not happen in the period and others had to happen in different ways. We were unable to go ahead with Thrive (our conference for women in ministry) and the Ministry Wives Retreat because of the nationwide lockdown. Given that churches are unable to meet we took the decision not to produce our Together Magazine in the period – instead delivering content via our website and social media. It has also meant we have not been able to visit churches to film our Get to Know... series which means just two films published in the period rather than the usual five or six.

That said, we have been able to shift our focus and ministry to serve churches and provide them with the content they have needed during such different and difficult circumstances.

Here are some of the achievements during the period:

1. The Leaders' Conference

950 people booked into the 2019 conference, up from 874 in 2018. This conference helps us to set the big vision for the year ahead. In 2019 we focused on leadership, setting a platform at our national conference which could be focused on in our local conferences. The Leaders' Conference helps us to foster greater co-operation among our family of churches..

2. Local Conferences

We organised 32 conferences for leaders up and down the country to focus on applying the big messages of our National Leaders' Conference at local level. We focused on three types of leadership legacy. Several conferences had taken place in January and February prior to the national lockdown. Eight were then delivered via Zoom later in the year.

3. Mission Fund Distribution

We were privileged to be able to give away £850,000 in funding to our churches to help them with their work and mission. This included grants to support church planters in training at a church in Liverpool as well as a cross-cultural worker for a church in Glasgow. Dozens of other projects also received money from this fund.

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Report of the Trust Board

For the year ended 31 August 2020

4. Seeing new Churches join FIEC

19 Churches were accepted into membership of FIEC in the period. Each Independent Church that joins the Fellowship helps our work and mission as it proves we are a growing family of churches which is better placed to reach the nation.

5. Appointment of a Communication and Media Officer

During the period we were able to appoint Joel Murray as our Communication & Media Officer. This was a strategic appointment to grow our content for churches and leaders – especially online..

6. Launch of new fiec.org.uk

The new website went live in September 2019, seeing growth across all our areas in terms of engagement and content.

7. Launch of FIEC webinars

These were launched during the first nationwide lockdown in 2020 to serve leaders during the pandemic. Called "Leadership in Lockdown" they provided weekly guidance to churches about the restrictions as well as focusing on one topic with a guest speaker or speakers. They are attended by 75 – 300 leaders each week with many more watching afterwards.

8. Launch of FIEC podcast

Initially, this has been used to provide audio content of our webinars, but we hope to develop this into a standalone podcast in the coming year.

Other developments and significant milestones during the period included:

- 1 new church plant recognised
- 2 churches closed, 3 resigned membership
- Church donations received for FIEC's General Fund of **£765,000**
- More than **£80,000** donated to our Training Fund
- 24 churches and 16 individuals supported by the Training Fund
- More than 25 churches supported by Ray Evans - our Church Leadership Consultant
- 576 men as members of the Pastor's Network including:
 - 408 Serving Pastors
 - 41 Itinerant Pastors
 - 26 Prospective Pastors
 - 80 Retired Pastors
 - 21 Pastors-in-Training
- 31 Pastors added to the Network this year
- 2 issues of our theological resource Primer published

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Report of the Trust Board

For the year ended 31 August 2020

Review of Financial Position

Income

Total income in all funds was £1,435k (£2,394k in 2019), made up of donations and grants from trusts. Most significant are the donations from churches as this is FIEC's main source of fundraising. Affiliated church donations to unrestricted funds were £765k (£716k in 2019). Suggested donations are in line with the size of a church's membership and in the period only increased in line with inflation.

The majority of unrestricted income is related to conferences and events, with the annual Leaders' Conference continuing to increase in size. Leaders' Conference income for 2020 was £169k compared to £144k in 2019.

Income to the Training Fund dropped to £80k (2019: £279k).

Income to the Mission Fund was £55k (2019: £591k). During the period we were able to give away some £850k from the Mission Fund in three areas: Church Growth, Church Revitalisation and Church Planting, allowing us to distribute money from restricted funds (designated to Revitalisation and Planting) as part of the Mission Fund pot. There is still money in the fund to pay for the legal costs of governing documents for church plants recognised by FIEC. We hope to distribute further funds in 2021.

Income was received of £280k from the sale of 39 The Point, our former office building. These funds will be used to pay down a £400k loan which enabled the purchase of a new office building during 2020/21's financial year.

Donations from individuals for the General Fund were £32k (£72k in 2019). We are grateful to all who contribute in this way.

Expenditure

Total expenditure was £2,251k (£1,371k in 2019). Day to day expenditure dropped considerably because of the Coronavirus lockdown which meant travel expenses and other regular expenditure was not needed in the same way. Support to churches accounts for around half of FIEC's expenditure..

Reserves policy

FIEC aims to maintain free reserves (Unrestricted Funds less unrestricted fixed assets, debtors and stock) at a level sufficient to cover three months' general expenditure, in order to give FIEC time to respond to unexpected developments. At the end of the period Available Unrestricted Funds were around nine months' general expenditure. A deficit budget was planned for 2020/21 which will reduce the level of the reserves. There are also plans to pay down a loan used to buy new office premises which will reduce reserves to around five months' in the new financial year.

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Report of the Trust Board

For the year ended 31 August 2020

Fundraising

New regulations require us to report each year on certain aspects of any fundraising by FIEC.

- FIEC does not use a professional fundraiser / commercial participator. However, FIEC employed a Development Manager until December 2018. One of her key activities was to raise additional income for FIEC.
- The Trust Board approved a Statement of Fundraising Principles in January 2016 and a Fundraising Strategy in May 2016. It has not undertaken to be bound by any external voluntary scheme or standard, principally as it is not seeking donations from the general public. A review of compliance with the Trust Board Principles and Strategy is carried out annually by the FIEC Treasurer who reports to the Trust Board.
- There were no reported breaches of the above and no complaints were received during the period relating to fundraising.
- FIEC writes to acknowledge receipt of donations, sends supporters an annual thank you letter and the bi-annual Together magazine to keep them abreast of FIEC ministries. The latter has not been produced in the period owing to the Coronavirus pandemic but an annual review of our ministry is sent to all supporters.

Trust Board Members' Responsibilities in relation to the financial statements

The Trust Board Members 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).

The law applicable to charities requires the Trust Board Members to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for the period.

In preparing these financial statements, the Trust Board Members are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards 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 Trust Board Members are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution. 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.

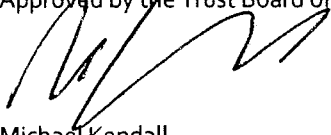
THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Report of the Trust Board

For the year ended 31 August 2020

The Trust Board Members are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from other jurisdictions.

Approved by the Trust Board of the Fellowship on ~~16 FEBRUARY~~ 2021 and signed on its behalf by:



Michael Kendall
Trustee

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Report of the Independent Auditors to the Trust Board Members of

The Fellowship of Independent Evangelical Churches

Opinion

We have audited the financial statements of The Fellowship of Independent Evangelical Churches for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and related notes, 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 Financial Reporting Standard 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 charity's affairs as at 31 August 2020 and of its incoming resources and application of resources 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 Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

- the Trust Board members' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trust Board members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity'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 Trust Board are responsible for the other information. The other information comprises the information included in the Report of the Trust Board, 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 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.

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES
Report of the Independent Auditors to the Trust Board Members of
The Fellowship of Independent Evangelical Churches (continued)

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 and Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trust Board Members report; or
- sufficient and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trust Board members

As explained more fully in the Statement of Trust Board Members' Responsibilities, the Trust Board members are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trust Board members 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 Trust Board members are responsible for assessing the charity'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 Trust Board either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under Section 144 of the Charities Act 2011 and Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under those Acts.

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit, in accordance with ISAs (UK), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trust Board members.

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES
Report of the Independent Auditors to the Trust Board Members of

The Fellowship of Independent Evangelical Churches (continued)

- Conclude on the appropriateness of the Trust Board members' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the Trust Board members, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the Trust Board 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 Trust Board members, as a body, for our audit work, for this report, or for the opinions we have formed.



Philip John Dymond FCCA

Cheyettes Ltd
Chartered Certified Accountants and Statutory Auditors
167 London Road
Leicester, LE2 1EG

Date 8th March 2021

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

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Statement of Financial Activities

For the year ended 31 August 2020

	Note	2020			2019
		Unrestricted	Restricted	Total	Total
		£	£	£	£
Income and endowments from:					
<i>Donations and legacies:</i>					
Donations	2	954,612	186,723	1,141,335	1,915,334
Grants	3	-	-	-	262,786
<i>Investments</i>	4	14,267	113	14,380	40,688
<i>Charitable activities:</i>					
Courses and conferences	5	185,457	-	185,457	174,168
Publications and literature	6	6,756	-	6,756	1,285
<i>Others</i>	7	86,879	-	86,879	104
Total income and endowments		<u>1,247,971</u>	<u>186,836</u>	<u>1,434,807</u>	<u>2,394,365</u>
Expenditure on:					
<i>Charitable activities:</i>					
Support to churches	8	615,087	129,103	744,190	702,616
Training and information	9	314,310	323,116	637,426	527,697
Outreach	10	47,858	757,136	804,994	66,616
Grants and gifts	11	-	60	60	3,920
Representation on and support of other evangelical organisations	12	41,502	-	41,502	40,826
Development		-	22,984	22,984	29,749
Total expenditure	13	<u>1,018,757</u>	<u>1,232,399</u>	<u>2,251,156</u>	<u>1,371,424</u>
Net income/(expenditure)		229,214	(1,045,563)	(816,349)	1,022,941
Transfers between funds	14	4,003	(4,003)	-	-
Net movement in funds before revaluations and investment disposals		<u>233,217</u>	<u>(1,049,566)</u>	<u>(816,349)</u>	<u>1,022,941</u>
Net gains/(losses) on investments		-	-	-	-
Net movement in funds		<u>233,217</u>	<u>(1,049,566)</u>	<u>(816,349)</u>	<u>1,022,941</u>
Fund balances brought forward		976,722	1,790,098	2,766,820	1,743,879
Fund balances carried forward		<u>1,209,939</u>	<u>740,532</u>	<u>1,950,471</u>	<u>2,766,820</u>

All recognised gains and losses are reflected through the Statement of Financial Activities and all activities were continuing.

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Balance Sheet

as at 31 August 2020

		2020		2019	
	Note	£	£	£	£
Fixed assets					
Tangible fixed assets held for charity use	16		916,564		1,152,170
Loans			<u>49,000</u>		<u>74,879</u>
			965,564		1,227,049
Current assets					
Stocks		12,054		12,086	
Debtors	17	35,719		42,005	
Short term deposits		759,142		1,656,563	
Cash at bank and in hand		<u>621,482</u>		<u>377,122</u>	
		1,428,397		2,087,776	
Creditors: Amounts falling due within one year	18	<u>(43,490)</u>		<u>(148,005)</u>	
Net current assets			<u>1,384,907</u>		<u>1,939,771</u>
Total assets less current liabilities			2,350,471		3,166,820
Creditors: Amounts falling due after one year	19		<u>(400,000)</u>		<u>(400,000)</u>
Net assets			<u>1,950,471</u>		<u>2,766,820</u>
Funds					
Restricted	20		740,532		1,790,098
Unrestricted	21		<u>1,209,939</u>		<u>976,722</u>
Total charity funds	22		<u>1,950,471</u>		<u>2,766,820</u>

The financial statements were approved and authorised for issue by the Trust Board on 18th February 2021 and signed on their behalf by:



Michael Kendall
Trustee

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Statement of Cash Flows

For the year ended 31 August 2020

	2020		2019	
	£	£	£	£
Cash flows from operating activities				
<i>Cash generated from/(absorbed by) operations:</i>				
Income for the year		(816,349)		1,022,941
<i>Adjustment for:</i>				
Investment income recognised in statement of financial activities		(14,380)		(40,688)
Depreciation		20,883		21,217
(Gain)/loss on disposal of tangible fixed assets		(63,035)		-
<i>Movements in working capital:</i>				
(Increase)/decrease in stocks		32		(2,705)
(Increase)/decrease in debtors		6,286		4,206
Increase/(decrease) in creditors		<u>(104,515)</u>		<u>429,162</u>
		(971,078)		1,434,133
Investing activities				
Purchase of tangible fixed assets	(1,912)		(937,835)	
Proceeds on disposal of fixed assets	279,670		-	
Repayment of loans from churches	25,879		23,105	
Interest and investment income	<u>14,380</u>		<u>40,688</u>	
Net cash generated from/(used in) investing activities		318,017		(874,042)
Cash and cash equivalents at beginning of the year		<u>2,033,685</u>		<u>1,473,594</u>
Cash and cash equivalents at end of year		<u>1,380,624</u>		<u>2,033,685</u>

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Notes to the Financial Statements

For the year ended 31 August 2020

1 ACCOUNTING POLICIES

(a) Accounting convention

The Fellowship of Independent Evangelical Churches is a charitable incorporated organisation registered in England and Wales.

The charity constitutes a public benefit entity as defined by FRS 102. The 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements have been prepared to give a 'true and fair view' and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following 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 issued in October 2019 rather than Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements are prepared under the historical cost convention, presented in Sterling, which is the functional currency of the charity and rounded to the nearest Pound.

At the time of approving the financial statements, the Trust Board have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future and have thus adopted the going concern basis of accounting in preparing the financial statements.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years unless otherwise stated.

(b) Depreciation

No depreciation is provided on freehold land. Depreciation is provided on all other tangible fixed assets at rates calculated to write off the cost or valuation of each asset over its expected useful life as follows:

Freehold Buildings	–	1% straight line
Fixtures, fittings and equipment	–	20% straight line

A charge is made each year to the Office Property Fund to cover part of the depreciation charge in the same ratio that the assets are funded by the Office Property Fund.

(c) Investments

Investments are included at their market value. Realised and unrealised gains and losses are recognised in the Statement of Financial Activities.

(d) Stock

Stock is valued at the lower of cost and net realisable value.

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Notes to the Financial Statements

For the year ended 31 August 2020

- (e) **Debtors and creditors receivable/payable within one year**
Debtors and creditors with no stated interest rate and receivable and payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.
- (f) **Cash**
Short term highly liquid investments held at a fair value include cash on deposit and cash equivalents with a maturity of less than one year.
- (g) **Income**
All income is included in the Statement of Financial Activities when the charity is legally entitled to it and the amount can be quantified with reasonable accuracy, except when income must be used in future accounting periods, the income is then deferred until those periods. Donations received for the general purposes of the Fellowship are included as unrestricted funds. Donations for activities restricted by the wishes of the donor which are accepted by FIEC are taken to restricted funds where these wishes are legally binding on the Trust Board. Legacies are recognised on receipt, or before receipt where there is sufficient evidence that the legacy will be received and its value can be measured with sufficient reliability. Investment assets donated are recognised as donations in the Statement of Financial Activities at the Trust Board members' estimate of market value when donated.
- (h) **Expenditure**
Expenditure is brought to account as the amounts are due. Expenditure is analysed over the various activities of the Fellowship based on the time spent by members of staff.
- (i) **Operating leases**
Rentals applicable to operating leases are charged as incurred, where substantially all the benefits and risks of ownership remain with the lessor.
- (j) **Fund accounting**
General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity which have not been designated for any other purposes. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are created where a donor has stipulated a restriction on the use of their donation, or has responded to an appeal for a specific purpose. Endowments made in order to produce future income are taken to endowment funds where there is a prohibition on the use of the capital.
- (k) **Pensions**
The pension costs charged in the financial statements represent the contributions payable by the charity during the year.

2	Income from Donations	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
	Donations – Churches	765,188	79,045	844,233	755,815
	– Partners	21,477	107,678	129,155	607,731
	– Individuals/other	167,947	-	167,947	499,041
	Legacies	-	-	-	52,747
		<u>954,612</u>	<u>186,723</u>	<u>1,141,335</u>	<u>1,915,334</u>

In 2019 £624,791 of the above income was attributable to restricted and £1,290,543 to unrestricted funds.

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Notes to the Financial Statements

For the year ended 31 August 2020

3	Income from grants	<i>Unrestricted funds</i> £	<i>Restricted funds</i> £	<i>Total 2020</i> £	<i>Total 2019</i> £
	Grants - trusts	<u>-</u>	<u>-</u>	<u>-</u>	<u>262,786</u>

In 2019 all of the above income was attributable to restricted funds.

4	Income from investments	<i>Unrestricted funds</i> £	<i>Restricted funds</i> £	<i>Total 2020</i> £	<i>Total 2019</i> £
	Interest and investment income	<u>14,267</u>	<u>113</u>	<u>14,380</u>	<u>40,688</u>

In 2019 £24,231 of the above income was attributable to restricted and £16,457 to unrestricted funds.

5	Income from courses and conferences	<i>Unrestricted funds</i> £	<i>Restricted funds</i> £	<i>Total 2020</i> £	<i>Total 2019</i> £
	Course and conference fees	16,934	-	16,934	30,402
	Leaders Conference	<u>168,523</u>	<u>-</u>	<u>168,523</u>	<u>143,766</u>
		<u>185,457</u>	<u>-</u>	<u>185,457</u>	<u>174,168</u>

In 2019 all of the above income was attributable to unrestricted funds.

6	Income from publications and literature	<i>Unrestricted funds</i> £	<i>Restricted funds</i> £	<i>Total 2020</i> £	<i>Total 2019</i> £
	Primer	6,753	-	6,753	1,269
	Sale of publications and literature	<u>3</u>	<u>-</u>	<u>3</u>	<u>16</u>
		<u>6,756</u>	<u>-</u>	<u>6,756</u>	<u>1,285</u>

In 2019 all of the above income was attributable to unrestricted funds.

7	Other income	<i>Unrestricted funds</i> £	<i>Restricted funds</i> £	<i>Total 2020</i> £	<i>Total 2019</i> £
	Gain on disposal of fixed assets	63,035	-	63,035	-
	Job Retention Scheme grants	23,841	-	23,841	-
	Other income	<u>3</u>	<u>-</u>	<u>3</u>	<u>104</u>
		<u>86,879</u>	<u>-</u>	<u>86,879</u>	<u>104</u>

In 2019 all of the above income was attributable to unrestricted funds.

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Notes to the Financial Statements

For the year ended 31 August 2020

8	Expenditure on support to churches	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
	Care and recognition of churches	55,313	289	55,602	58,667
	Preaching & Church Visits	82,752	-	82,752	84,339
	Information & Support	107,939	517	108,456	137,604
	Leaders Conference	180,790	-	180,790	171,884
	Theological Advice	-	-	-	250
	Womens' ministry	63,431	-	63,431	66,142
	London Team	1,116	-	1,116	2,108
	Administering church records	25,159	156	25,315	42,436
	Consultation and vision evenings	-	-	-	5,119
	Scotland projects	-	-	-	120
	Pastor's Network	40,929	485	41,414	48,659
	Pastoral care and support	57,658	346	58,004	47,949
	Church Revitalisation	-	127,310	127,310	37,339
		<u>615,087</u>	<u>129,103</u>	<u>744,190</u>	<u>702,616</u>

In 2019 £38,683 of the above expenditure was attributable to restricted and £663,933 to unrestricted funds.

9	Expenditure on training and information	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
	Together magazine	21,528	-	21,528	18,133
	Primer	19,086	-	19,086	18,243
	Media & Publicity	100,869	-	100,869	88,557
	Training Information, advice & support	101,270	-	101,270	91,486
	Church advice line	-	30,000	30,000	30,000
	Website & Database support	42,937	-	42,937	33,022
	Hub Conference	22,002	-	22,002	26,819
	Training Fund grants	-	293,116	293,116	196,779
	Other Conferences	6,618	-	6,618	24,658
		<u>314,310</u>	<u>323,116</u>	<u>637,426</u>	<u>527,697</u>

In 2019 £226,779 of the above expenditure was attributable to restricted and £300,918 to unrestricted funds.

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Notes to the Financial Statements

For the year ended 31 August 2020

10	Expenditure on outreach	<i>Unrestricted funds</i> £	<i>Restricted funds</i> £	<i>Total 2020</i> £	<i>Total 2019</i> £
	Mission Information & Support	43,334	753,369	796,703	64,878
	Mission projects and teams	<u>4,524</u>	<u>3,767</u>	<u>8,291</u>	<u>1,738</u>
		<u>47,858</u>	<u>757,136</u>	<u>804,994</u>	<u>66,616</u>

In 2019 £21,757 of the above expenditure was attributable to restricted and £44,859 to unrestricted funds.

11	Expenditure on grants and gifts	<i>Unrestricted funds</i> £	<i>Restricted funds</i> £	<i>Total 2020</i> £	<i>Total 2019</i> £
	Benevolent gifts	<u>-</u>	<u>60</u>	<u>60</u>	<u>3,920</u>

Grants and gifts from restricted funds were comprised as follows:

1 (2019: 12) individuals	<u>60</u>	<u>3,920</u>
	<u>60</u>	<u>3,920</u>

In 2019 all of the above expenditure was attributable to restricted funds.

12	Expenditure on representation and support of other Evangelical organisations	<i>Unrestricted funds</i> £	<i>Restricted funds</i> £	<i>Total 2020</i> £	<i>Total 2019</i> £
	Representation on other bodies	13,287	-	13,287	12,503
	Support of Affinity	<u>28,215</u>	<u>-</u>	<u>28,215</u>	<u>28,323</u>
		<u>41,502</u>	<u>-</u>	<u>41,502</u>	<u>40,826</u>

In 2019 all of the above expenditure was attributable to unrestricted funds.

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Notes to the Financial Statements

For the year ended 31 August 2020

13	Total resources expended	2020	2019
		£	£
	Total resources expended includes:		
	Operating lease rentals – office equipment	-	99
	Depreciation	20,883	21,217
	Auditors' remuneration – for audit services	<u>4,860</u>	<u>4,860</u>
	Total staff costs comprise:		
	Salary costs	500,554	545,319
	Social security	42,171	48,752
	Pension contributions (including income protection cover)	<u>45,803</u>	<u>48,195</u>
		<u>588,528</u>	<u>642,266</u>

The costs of the employer defined benefit pension contributions have been allocated between activities and funds in accordance with the assignment of employment activities and the accounting policy on expenditure detailed at note 1.

The average number of salaried employees during the year was:	No.	No.
Full-time		
Other staff	9	9
	<u>9</u>	<u>9</u>
Part-time		
Other staff	9	10
	<u>9</u>	<u>10</u>
	2020	2019
	£	£
Travel expenses reimbursed to 12 (2019: 12) Trust Board members	<u>1,849</u>	<u>3,974</u>

No trustee received any remuneration and no employee had earnings of over £60,000 in the year.

14	Transfers between funds	
	Transfers represent the following:	£
	Between Restricted and Unrestricted Funds:	
	Transfer from Development Fund to the General Fund	<u>4,003</u>
	Between Unrestricted Funds:	
	Transfer from the General Fund to the Capital Fund	<u>5,000</u>

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Notes to the Financial Statements

For the year ended 31 August 2020

15 Analysis of support costs

Support costs include the following:

	£
Accounting and payroll administration	18,502
Information technology	26,575
Governance	<u>11,895</u>
	<u>56,972</u>

These costs are analysed over the various activities of the Fellowship based on the time spent by members of the administrative staff:

Church Support	56.9%
Training and information	31.6%
Mission and Church Planting	6.0%
Representation on other evangelical organisations	3.3%
Others	2.2%

16 Tangible fixed assets

	<i>Freehold Land and Buildings</i>	<i>Fixtures Furniture and Equipment</i>	<i>Total</i>
Cost	£	£	£
At 1 September 2019	1,149,961	104,425	1,254,386
Additions	<u>-</u>	<u>1,912</u>	<u>1,912</u>
	1,149,961	106,337	1,256,298
Disposals	<u>(246,056)</u>	<u>(41,573)</u>	<u>(287,629)</u>
At 31 August 2020	<u>903,905</u>	<u>64,764</u>	<u>968,669</u>
Depreciation			
At 1 September 2019	34,566	67,650	102,216
Charge for the year	<u>9,743</u>	<u>11,140</u>	<u>20,883</u>
	44,309	78,790	123,099
Disposals	<u>(29,421)</u>	<u>(41,573)</u>	<u>(70,994)</u>
At 31 August 2020	<u>14,888</u>	<u>37,217</u>	<u>52,105</u>
Net book value			
At 31 August 2020	<u>889,017</u>	<u>27,547</u>	<u>916,564</u>
At 31 August 2019	<u>1,115,395</u>	<u>36,775</u>	<u>1,152,170</u>

Included in freehold land and buildings is non-depreciable land in the sum of £159,500 (2019 - £175,703).

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Notes to the Financial Statements

For the year ended 31 August 2020

17	Debtors					
				2020	2019	
				£	£	
	Other debtors			776	1,159	
	Prepayments and accrued income			<u>34,943</u>	<u>40,846</u>	
				<u>35,719</u>	<u>42,005</u>	
18	Creditors: due within one year			2020	2019	
				£	£	
	Taxation and social security			19,569	21,310	
	Deferred income			6,389	114,634	
	Accruals			<u>17,532</u>	<u>12,061</u>	
				<u>43,490</u>	<u>148,005</u>	
	All deferred income is released into income in the following year.					
19	Creditors: due after one year			2020	2019	
				£	£	
	Loans payable other than by instalments due in 2 – 5 years			<u>400,000</u>	<u>400,000</u>	
20	Restricted funds	Balance at 01.09.19	Incoming resources	Resources expended	Transfers & investment gains	Balance at 31.08.20
		£	£	£	£	£
	Benevolent fund	116	-	60	-	56
	Mission fund	831,638	55,055	752,863	-	133,830
	Dalling memorial fund	24,701	-	-	-	24,701
	Philip Henman trust fund	121,205	-	-	-	121,205
	Advice Line	35,000	-	30,000	-	5,000
	Scottish Legacy fund	23,373	-	-	-	23,373
	Church revitalisation fund	127,059	250	127,309	-	-
	Development fund	9,900	41,053	22,984	(4,003)	23,966
	FIEC loan fund	98,842	113	-	-	98,955
	Training fund	382,552	80,365	293,116	-	169,801
	Connect for growth	-	10,000	3,767	-	6,233
	Property funds					
	Office property fund	<u>135,712</u>	<u>-</u>	<u>2,300</u>	<u>-</u>	<u>133,412</u>
		<u>1,790,098</u>	<u>186,836</u>	<u>1,232,399</u>	<u>(4,003)</u>	<u>740,532</u>

The restricted funds were established for the following purposes:

- (a) **Benevolent fund** – used to make gifts to ministers, partners, and affiliated church members, who are considered to be in need of financial assistance.
- (b) **Mission fund** – to provide support for church planting initiatives and other outreach initiatives within the UK.

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Notes to the Financial Statements

For the year ended 31 August 2020

- (c) **Dalling memorial fund** – to provide support to accredited ministers and their families in time of illness.
- (d) **Philip Henman trust fund** – supporting the work and outreach of the Fellowship.
- (e) **Advice line** – The advice line is run by Edward Connor Solicitors for FIEC and provides a first point of contact to FIEC churches for legal advice and support.
- (f) **Scottish legacy fund** – to provide support for the work of the Fellowship in Scotland.
- (g) **Church revitalisation fund** – meeting costs associated with FIEC's Church Revitalisation initiative, running initially for three years to December 2018.
- (h) **Development fund** – meeting costs for specific projects made known by FIEC to develop the fundraising and administrative support functions of FIEC.
- (i) **FIEC loan fund** – this fund was previously used for making loans available to church plants and building projects to advance gospel work. Whilst there is still £49,000 out on loan, the fund has been converted (with Charity Commission approval) into a grant fund within the Mission fund so there will be no further loan applications accepted.
- (j) **Training fund** - to provide financial support to men and women from within the FIEC family of churches to assist in their formal training for gospel ministries. The Fund also provides help to FIEC Churches in establishing ministry posts as well as evangelism and church planting initiatives involving training appointments.
- (k) **Connect for growth** – to provide support for our relationship with the Mississippi Baptist Convention in the United States which sees church members from both sides of the Atlantic visit each other's churches to provide support with ministry and mission.
- (l) **Office property fund** – established with money given specifically for the purchase of the Fellowship's office and through transfers from other funds which were restricted as to their use for property purchase.

21	Unrestricted funds	Balance at 01.09.19 £	Incoming resources £	Resources expended £	Transfers & investment gains £	Balance at 31.08.20 £
	General fund	946,728	1,247,971	1,018,757	(997)	1,174,945
	Capital fund	<u>29,994</u>	<u>-</u>	<u>-</u>	<u>5,000</u>	<u>34,994</u>
		<u>976,722</u>	<u>1,247,971</u>	<u>1,018,757</u>	<u>4,003</u>	<u>1,209,939</u>

22 Net assets of the Fellowship's funds

The balances carried forward on the various funds are held as follows:

	Tangible Fixed assets £	Investments and loans £	Net current assets £	Long term liabilities £	2020 Total £
Restricted funds	133,412	49,000	558,120	-	740,532
Unrestricted funds	<u>783,152</u>	<u>-</u>	<u>826,787</u>	<u>(400,000)</u>	<u>1,209,939</u>
	<u>916,564</u>	<u>49,000</u>	<u>1,384,907</u>	<u>(400,000)</u>	<u>1,950,471</u>

THE FELLOWSHIP OF INDEPENDENT EVANGELICAL CHURCHES

Notes to the Financial Statements

For the year ended 31 August 2020

23 Pension scheme

The Fellowship operates a defined contribution pension scheme. The assets are held separately from those of the Fellowship in independently administered funds. The pension costs incurred by the Fellowship to the funds totalled £42,596 (2019: £47,816).

24 Related party

The trustee directors of The Fellowship of Independent Evangelical Churches Limited are appointed by members of the charity. During the year ended 31st August 2020 the Trust was recharged various expenses of £5,580 (2019 - £14,279). In addition, the Trust charged rent to the charitable company of £4,000, recharged various expenses of £17,182 (2019 - £14,836) and in 2019 received grants of £450,000.

