

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

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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

| | Notes | Unrestricted funds 2025 £ | Restricted funds 2025 £ | Total 2025 £ | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Total 2024 £ |
|--|-------|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
| 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 | | <u>1,618,570</u> | <u>79,514</u> | <u>1,698,084</u> | <u>1,559,874</u> | <u>318,525</u> | <u>1,878,399</u> |
| 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 | | <u>1,729,400</u> | <u>178,408</u> | <u>1,907,808</u> | <u>1,674,526</u> | <u>235,550</u> | <u>1,910,076</u> |
| 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 | | <u>1,349,911</u> | <u>797,956</u> | <u>2,147,867</u> | <u>1,464,563</u> | <u>714,981</u> | <u>2,179,544</u> |
| Fund balances at 31 August 2025 | | <u>1,227,837</u> | <u>710,306</u> | <u>1,938,143</u> | <u>1,349,911</u> | <u>797,956</u> | <u>2,147,867</u> |

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 | Development | 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 |
| | <u>1,018,967</u> | <u>292,891</u> | <u>28,707</u> | <u>56,432</u> | <u>3,628</u> | <u>1,400,625</u> |
| 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 |
| | <u>1,143,020</u> | <u>362,722</u> | <u>175,684</u> | <u>212,329</u> | <u>15,339</u> | <u>1,909,094</u> |
| 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 |
| | <u>1,143,020</u> | <u>362,722</u> | <u>175,684</u> | <u>212,329</u> | <u>15,339</u> | <u>1,909,094</u> |

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> |
| <u>Analysed between:</u> | | |
| 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> |

| | 2025 £ | 2024 £ |
|-----------------------------------|---------------|---------------|
| Governance costs comprise: | | |
| 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 |
| | <hr/> | <hr/> | <hr/> |
| At 31 August 2025 | 903,904 | 52,627 | 956,531 |
| | <hr/> | <hr/> | <hr/> |
| Depreciation and impairment | | | |
| At 1 September 2024 | 44,664 | 16,800 | 61,464 |
| Depreciation charged in the year | 7,444 | 10,143 | 17,587 |
| | <hr/> | <hr/> | <hr/> |
| At 31 August 2025 | 52,108 | 26,943 | 79,051 |
| | <hr/> | <hr/> | <hr/> |
| Carrying amount | | | |
| At 31 August 2025 | 851,796 | 25,684 | 877,480 |
| | <hr/> | <hr/> | <hr/> |
| At 31 August 2024 | 859,240 | 21,516 | 880,756 |
| | <hr/> | <hr/> | <hr/> |

16 Inventories

| | 2025 £ | 2024 £ |
|-------------------------------------|-----------|-----------|
| Finished goods and goods for resale | - | 716 |
| | <hr/> | <hr/> |

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 |
| | <hr/> | <hr/> |
| | 151,284 | 461,990 |
| | <hr/> | <hr/> |

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 |
| | | <hr/> | <hr/> |
| | | 415,974 | 275,333 |
| | | <hr/> | <hr/> |

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.