

Charity Registration No. 285474 (England and Wales)

Charity Registration No. SCO40681 (Scotland)

Company Registration No. 1648879 (England and Wales)

LUIS PALAU EVANGELISTIC TEAM (THE)
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018



LUIS PALAU EVANGELISTIC TEAM (THE)

LEGAL AND ADMINISTRATIVE INFORMATION

| | |
|---|--|
| Directors | Mr Simon Berry (Chairman) Mr Andrew Palau Mr Colin Saunders Mr David Stephenson (Appointed 6 March 2018) Mr George MacKenzie Mr Kevin Palau Dr Luis Palau Mr Michael Spratt Lady Susan Sainsbury |
| Charity number (England and Wales) | 285474 |
| Charity number (Scotland) | SCO40681 |
| Company number | 1648879 |
| Registered office | Owen House Lifehope Training Centre Little Cornbow Halesowen West Midlands B63 3AJ |
| Independent examiner | James Foscett Cansdales Bourbon Court Nightingales Corner Little Chalfont Bucks HP7 9QS |
| Bankers | Barclays Bank Plc Sycamore Road Amersham Bucks HP6 5DT |
| Working name | Luis Palau Evangelistic Association |

LUIS PALAU EVANGELISTIC TEAM (THE)

CONTENTS

| | Page |
|-----------------------------------|-------------|
| Directors' report | 1 - 3 |
| Independent examiner's report | 4 |
| Statement of financial activities | 5 |
| Balance sheet | 6 |
| Notes to the financial statements | 7 - 14 |

LUIS PALAU EVANGELISTIC TEAM (THE)

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their report and financial statements for the year ended 31 December 2018.

Legal Status

The company, which is limited by guarantee with a registration number of 1648879, is registered as a charity in England and Wales under number 285474, and with the Office of the Scottish Charity Regulator under number SC040681. The registered office is Owen House Lifehope Training Centre, Little Cornbow, Halesowen, West Midlands, B63 3AJ.

The guarantee of the members is limited to £100 each whilst they are a member and for twelve months after ceasing to be a member. There were nine members at 31 December 2018 (2017: eight).

Objectives and activities

The principal activity of the charitable company during the year was to advance the evangelical Christian faith in the United Kingdom and throughout the world by such charitable means as the company determined.

Public Benefit

The Directors confirm that they have referred to the Charity Commission's guidance on public benefit, in particular the specific guidance on charities for the advancement of religion, when reviewing the charity's aims and objectives and in planning future activities.

In seeking to achieve these objects, the Directors are confident that enabling Christians and Christian Communities to share the love of God seen in the Life of Jesus Christ and in promoting the whole mission of the Christian Faith will be for the benefit of many. The Directors believe this results in harmony and reconciliation in families and whole communities as well as the spiritual blessing in individual lives resulting in inner peace and greater sense of purpose. The events and activities organised by the charity are open to all, and are widely publicised. The Directors will continue to conduct the affairs of the Charity having regard to the Charity Commission's guidance on Public Benefit.

Achievements and performance

2018 saw some real progress for The Luis Palau Association UK/Europe. It was a year of getting established and building a platform for growth of the charity. We saw specific growth this year in regard to the charity's influence and impact. We established some fundamental processes and procedures in 2018 that will guide our work and provide a secure base for decision making and development in the future. In 2018 we received some solid invitations to serve the local churches in 2019 and 2020 through city festivals, partnership events and helping unity movements prioritise evangelism across their teams and cities. We also recently added two large projects to the work of LPAUK/Europe: formation of the global network of evangelists and the growth city gospel movement work across the UK and Europe.

The team has been busy in 2018 with implementing the new database software to manage supporters and communications better, a new online accounting package and the relocation of the office to Halesowen. These changes mean we are now fully GDPR compliant and in line with new UK regulations, data protection and fundraising guidelines. We have also completed a full risk review and updated all policies, procedures, staff contracts, health and safety and insurances for the charity.

We had some great responses to the Gospel in 2018 through the UK tour of 5 cities in November and through ministering at individual churches and unity gatherings. Kevin and Andrew Palau ministered in multiple locations through 2018. These opportunities are now leading onto city festivals/events in 2019 in Swansea and in Wolverhampton, Berlin and potentially Mullhouse in France in 2020. We have been leading, alongside a core team made up of key national denominations and partners, the development of Advance 2020 and we have been specifically involved in the planning for the Advance gathering conference in October 2019.

Financial review

The results for the year, and the charitable company's financial position at the end of the year, are shown in the attached financial statements.

LUIS PALAU EVANGELISTIC TEAM (THE)

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

Reserves Policy

It is the policy of the charitable company to maintain unrestricted funds, which are free reserves of the charitable company, at a level to cover the estimated costs of closing the charity (circa £39,000), if the charity did not continue to operate and to meet the working capital requirements of the charity. This policy is reviewed annually by the Board. Unrestricted funds not invested in fixed assets or investments and not otherwise designated by the Board were £29,567 at 31 December 2018 (2017: £85,446). Total unrestricted reserves for this year is £37,067 (2017: £85,446) which includes £7,500 of fixed assets (2017: nil). During the first quarter of 2019 there has been an increase in grant giving which has re-instated the unrestricted funds not invested in fixed assets or investments and not otherwise designated by the Board to above the minimum required level of free reserves required as set out in this policy.

Risk Management

The directors regularly examine the major strategic and operational risks which the charitable company faces and confirm that systems have been established to enable the necessary steps to be taken to lessen these risks.

The directors consider that the main risks affecting the charitable company are gift income being insufficient to meet expenditure and reliance on key individuals.

The directors will continue to address the increase of gift income by additional fund raising being carried out by the charitable company. Since the employment of the new UK Director and the new Operations and Church Relations Director in 2017, income has started to rise through the speaking opportunities and engagement with churches and other Christian organisations. This has continued to happen in 2018 and is planned to in future years.

Mitigation of the risk of reliance on key individuals is carried out by documentation of all processes, including operational details of all missions. Quarterly financial reports and highlights reports covering major expenditure are sent to the Board.

Structure, governance and management

The directors, who are also trustees of the charitable company, during the year and to the date of this report were as follows:

Mr Simon Berry (Chairman)

Mr Andrew Palau

Mr Colin Saunders

Mr David Stephenson

(Appointed 6 March 2018)

Mr George MacKenzie

Mr Kevin Palau

Dr Luis Palau

Mr Michael Spratt

Lady Susan Sainsbury

According to the Articles of Association there must be a minimum of three directors and a maximum of twelve directors. All directors must be members of the charitable company.

Additional directors may be appointed by the existing directors. Prospective trustees would meet with members of the Board to enable the Board to assess the prospective trustee's suitability for the role, taking into account their experience and other relevant skills, and to provide the prospective trustee with information about the work done by LPEA. On appointment they would be provided with an information pack about the charity, including the latest statutory and management accounts, minutes of recent Board meetings and information on the charity's upcoming events and activities, as well copies of publications produced by the Charity Commission, such as CC3, "The essential trustee: what you need to know". Existing trustees maintain their knowledge through sharing of information at trustee meetings and their work with other not-for-profit organisations, as well as updates from professional advisers. New directors meet with the Board and are furnished with all the necessary documentation about the charity.

LUIS PALAU EVANGELISTIC TEAM (THE)

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

Statement of directors' responsibilities

The directors, who also act as trustees for the charitable company, are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

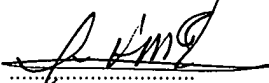
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume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

The directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to Independent Examiner

Each of the directors has confirmed that there is no information of which they are aware which is relevant to the independent examination, but of which the independent examiner is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the independent examiner is aware of such information.

The directors' report was approved by the Board of Directors.



Mr Simon Berry (Chairman)

Director

Dated: 01/07/19

LUIS PALAU EVANGELISTIC TEAM (THE)

INDEPENDENT EXAMINER'S REPORT

TO THE DIRECTORS OF LUIS PALAU EVANGELISTIC TEAM (THE)

I report to the directors on my examination of the financial statements of Luis Palau Evangelistic Team (The) (the charitable company) for the year ended 31 December 2018.

Responsibilities and basis of report

As the trustees of the charitable company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 (the 2005 Act), the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006 (the 2006 Act). You are satisfied that the financial statements of the charitable company are not required by charity or company law to be audited and have chosen instead to have an independent examination.

Having satisfied myself that the financial statements of the charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charitable company's financial statements carried out under section 44 (1) (c) of the 2005 Act and section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed the requirements of Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charitable company is required by company law to prepare its financial statements on an accruals basis and is registered as a charity in Scotland your examiner must be a member of a body listed in Regulation 11(2) of the Charities Accounts (Scotland) Regulations 2006 (as amended). I confirm that I am qualified to undertake the examination because I am a member of the ICAEW, which is one of the listed bodies.

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

- 1 accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act and Regulation 4 of the 2006 Accounts Regulations; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

Use of report

This report is made solely to the charity's trustees, as a body, in accordance with the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my Independent Examination, for this report, or for the opinions I have formed.

James Foskett BSc (Hons), FCA, DChA
Cansdales
Bourbon Court, Nightingales Corner
Little Chalfont, Bucks, HP7 9QS

Dated: 4 July 2019

LUIS PALAU EVANGELISTIC TEAM (THE)

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2018

| | Notes | Unrestricted funds £ | Restricted funds £ | Total 2018 £ | Total 2017 £ |
|--|-------|----------------------------|--------------------------|--------------------|--------------------|
| <u>Income and endowments from:</u> | | | | | |
| Donations and legacies | 2 | 138,459 | 111,656 | 250,115 | 275,434 |
| Charitable activities | 3 | 36,245 | - | 36,245 | 110,167 |
| Investments | 4 | 71 | - | 71 | - |
| Other income | 5 | 836 | - | 836 | 1,108 |
| Total income | | 175,611 | 111,656 | 287,267 | 386,709 |
| <u>Expenditure on:</u> | | | | | |
| Raising funds | 6 | 13,460 | - | 13,460 | 8,774 |
| Charitable activities | 7 | 212,794 | 114,897 | 327,691 | 395,700 |
| Total resources expended | | 226,254 | 114,897 | 341,151 | 404,474 |
| Net outgoing resources before transfers | | (50,643) | (3,241) | (53,884) | (17,765) |
| Gross transfers between funds | | 2,264 | (2,264) | - | - |
| Net expenditure for the year/ Net movement in funds | | (48,379) | (5,505) | (53,884) | (17,765) |
| Fund balances at 1 January 2018 | | 85,446 | 6,517 | 91,963 | 109,728 |
| Fund balances at 31 December 2018 | | 37,067 | 1,012 | 38,079 | 91,963 |

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

All income and expenditure derive from continuing activities.

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

The notes numbered 1 to 16 form part of these financial statements.

LUIS PALAU EVANGELISTIC TEAM (THE)

BALANCE SHEET

AS AT 31 DECEMBER 2018

| | Notes | 2018 £ | £ | 2017 £ | £ |
|---|-------|---------------|---------------|----------------|---------------|
| Fixed assets | | | | | |
| Tangible assets | 10 | | 7,500 | | - |
| Current assets | | | | | |
| Debtors | 11 | 3,588 | | 12,017 | |
| Cash at bank and in hand | | 32,137 | | 101,953 | |
| | | <u>35,725</u> | | <u>113,970</u> | |
| Creditors: amounts falling due within one year | 12 | (5,146) | | (22,007) | |
| | | <u></u> | | <u></u> | |
| Net current assets | | | 30,579 | | 91,963 |
| Total assets less current liabilities | | | <u>38,079</u> | | <u>91,963</u> |
| Income funds | | | | | |
| Restricted funds | 13 | | 1,012 | | 6,517 |
| Unrestricted funds | | | 37,067 | | 85,446 |
| | | | <u>38,079</u> | | <u>91,963</u> |

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2018.

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

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

The financial statements were approved by the Directors on 01/07/19.



Mr Simon Berry (Chairman)
Director

Company Registration No. 1648879

The notes numbered 1 to 16 form part of these financial statements.

LUIS PALAU EVANGELISTIC TEAM (THE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

Charity information

Luis Palau Evangelistic Team (The) is a private company limited by guarantee incorporated in England and Wales. The registered office is Owen House, Lifehope Training Centre, Little Cornbow, Halesowen, West Midlands, B63 3AJ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's governing document, the Companies Act 2006, 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)' (as amended for accounting periods commencing from 1 January 2016). The charitable company is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the directors.

Designated funds - these are funds set aside by the directors out of unrestricted general funds for specific future purposes or projects.

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

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

1.4 Income

All income is accounted for once the charitable company has entitlement to the income, it is more likely than not that the income will be received and the amount of income receivable can be measured reliably.

Grants are included as donations.

Legacies are accounted for as soon as the charity is notified of its legal entitlement, the amount due is quantifiable and its ultimate receipt is more likely than not.

Any income received for a period other than the accounting year has been apportioned over the period to which it relates.

LUIS PALAU EVANGELISTIC TEAM (THE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is included in the Statement of Financial Activities (SOFA) on an accruals basis, inclusive of Value Added Tax which cannot be recovered. Certain expenditure is directly attributable to specific activities and has been allocated to those cost categories.

Support costs have been apportioned to the cost centres of costs of generating funds, fundraising, trading, charitable activities and governance costs in accordance with the requirements of the SORP. Governance costs comprise all costs relating to the public accountability of the charitable company and its compliance with regulation and good practice.

1.6 Tangible fixed assets

Tangible fixed assets 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 bases:

| | |
|----------------|-------------------|
| IT Equipment | 25% straight line |
| Motor vehicles | 25% 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 net income/(expenditure) for the year.

Items of equipment are capitalised where the purchase price exceeds £1,250.

1.7 Impairment of fixed assets

At each reporting end date, the charitable company 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).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1.8 Employee benefits

Pension costs consist of contributions made by the charitable company to the employees' personal pension schemes. Contributions to these schemes are charged in the SOFA as they become payable in accordance with the rules of the schemes.

1.9 Retirement benefits

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

1.10 Leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

LUIS PALAU EVANGELISTIC TEAM (THE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies (Continued)

1.11 Foreign exchange

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating surplus or deficit.

1.12 Tax Status

The charitable company is a registered charity and therefore it is not assessable to corporation tax on any surplus charitable funds.

2 Donations and legacies

| | Unrestricted funds | Restricted funds | Total | Total |
|-------------------------------------|-----------------------|---------------------|----------------|----------------|
| | 2018 £ | 2018 £ | 2018 £ | 2017 £ |
| Donations and gifts | 138,459 | 111,656 | 250,115 | 275,434 |
| | <u>138,459</u> | <u>111,656</u> | <u>250,115</u> | <u>275,434</u> |
| For the year ended 31 December 2017 | 105,941 | 169,493 | | 275,434 |
| | <u>105,941</u> | <u>169,493</u> | | <u>275,434</u> |

3 Charitable activities

| | 2018 £ | 2017 £ |
|-------------------------|---------------|----------------|
| Mission costs recovered | 36,245 | 110,167 |
| | <u>36,245</u> | <u>110,167</u> |

4 Investments

| | Unrestricted funds | Total |
|---------------------|-----------------------|-----------|
| | 2018 £ | 2017 £ |
| Interest receivable | 71 | - |
| | <u>71</u> | <u>-</u> |

LUIS PALAU EVANGELISTIC TEAM (THE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

5 Other income

| | Unrestricted funds | Total |
|--------------|-----------------------|--------------|
| | 2018 | 2017 |
| | £ | £ |
| Other income | 836 | 1,108 |
| | <u>836</u> | <u>1,108</u> |

6 Raising funds

| | 2018 | 2017 |
|---------------------------|---------------|--------------|
| | £ | £ |
| Fundraising and publicity | 13,460 | 8,774 |
| | <u>13,460</u> | <u>8,774</u> |

LUIS PALAU EVANGELISTIC TEAM (THE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

7 Charitable activities

| | 2018 £ | 2017 £ |
|----------------------------------|----------------|----------------|
| Staff costs | 137,243 | 130,346 |
| Depreciation and impairment | 2,500 | - |
| Evangelistic Mission | 159,717 | 231,751 |
| Rent and Rates | 3,145 | 5,780 |
| Insurance | 1,161 | 1,492 |
| Technical Support | 137 | 2,432 |
| Repairs and Maintenance | 1,174 | 1,682 |
| Telephone | 2,236 | 2,634 |
| Postage, Printing and Stationery | 2,096 | 1,841 |
| Subscriptions | 235 | 235 |
| Board Expenses | 175 | 38 |
| Bank Charges | 381 | 997 |
| Sundry | 931 | 796 |
| Independent Examination | 1,980 | 1,860 |
| Accountancy | 3,631 | 4,890 |
| Travel expenses | 10,949 | 8,926 |
| | <u>327,691</u> | <u>395,700</u> |
| | <u>327,691</u> | <u>395,700</u> |
| Analysis by fund | | |
| Unrestricted funds | 212,794 | 232,724 |
| Restricted funds | 114,897 | 162,976 |
| | <u>327,691</u> | <u>395,700</u> |

8 Directors

No expenses were reimbursed to the directors during the year (2017: nil).

Directors donated a total of £16,850 during the year (2017: £13,700).

No Director received remuneration (2017: nil).

LUIS PALAU EVANGELISTIC TEAM (THE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

9 Employees

Number of employees

The average monthly number of employees during the year was:

| | 2018 Number | 2017 Number |
|----------------------|----------------|----------------|
| Full Time Equivalent | 4 | 5 |

Employment costs

| | 2018 £ | 2017 £ |
|-----------------------|----------------|----------------|
| Wages and salaries | 124,766 | 120,964 |
| Social security costs | 9,299 | 7,448 |
| Other pension costs | 3,178 | 1,934 |
| | <u>137,243</u> | <u>130,346</u> |

Included within wages and salaries are consultants fees of £2,205 (2017: £16,040).

2 members of staff are considered key management and received remuneration for the year totalling £80,300 (2017: 1 member - £37,115).

There were no employees whose annual remuneration was £60,000 or more.

10 Tangible fixed assets

| | Motor vehicles £ |
|------------------------------------|---------------------|
| Cost | |
| Additions | 10,000 |
| At 31 December 2018 | <u>10,000</u> |
| Depreciation and impairment | |
| Depreciation charged in the year | 2,500 |
| At 31 December 2018 | <u>2,500</u> |
| Carrying amount | |
| At 31 December 2018 | <u>7,500</u> |
| At 31 December 2017 | <u>-</u> |

LUIS PALAU EVANGELISTIC TEAM (THE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

11 Debtors

| | 2018 | 2017 |
|--------------------------------------|--------------|---------------|
| | £ | £ |
| Amounts falling due within one year: | | |
| Trade debtors | 2,924 | 9,066 |
| Other debtors | 664 | 2,951 |
| | <u>3,588</u> | <u>12,017</u> |

12 Creditors: amounts falling due within one year

| | 2018 | 2017 |
|------------------------------|--------------|---------------|
| | £ | £ |
| Trade creditors | 945 | 230 |
| Other creditors | 391 | 3,159 |
| Accruals and deferred income | 3,810 | 18,618 |
| | <u>5,146</u> | <u>22,007</u> |

Deferred income relates to grants, although there was no deferred income at 31 December 2018 (2017: £15,000 received in 2017 for work carried out in 2018).

13 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

| | Balance at 1 | Movement in funds | | | Balance at 31 |
|-------------------|--------------|-------------------|------------------|----------------|---------------|
| | January 2018 | Incoming | Resources | Transfers | December 2018 |
| | £ | resources | expended | £ | £ |
| Staff | - | 49,069 | (49,069) | - | - |
| NGA Evangelists | 6,517 | 26,227 | (18,908) | (13,836) | - |
| Advance 2020 | - | 4,024 | (3,012) | - | 1,012 |
| October Tour 2018 | - | 32,336 | (43,908) | 11,572 | - |
| | <u>6,517</u> | <u>111,656</u> | <u>(114,897)</u> | <u>(2,264)</u> | <u>1,012</u> |

Staff - Donations received from LPEA Portland (£34,069) and Jerusalem Trust (£15,000) to fund staff costs.

NGA Evangelists - Represents funds held for the use of missionaries towards their general mission costs.

Advance 2020 - Donations received (£4,024) less expenses (£3,012) to fund the 2020 network for evangelists around the world.

October Tour 2018 - Donations, reimbursed expenses and tickets sales income (£32,336) less the total cost of the tour (£43,908).

LUIS PALAU EVANGELISTIC TEAM (THE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

14 Analysis of net assets between funds

| | Unrestricted | Restricted | Total | Total |
|---|---------------|--------------|---------------|---------------|
| | 2018 | 2018 | 2018 | 2017 |
| | £ | £ | £ | £ |
| Fund balances at 31 December 2018 are represented by: | | | | |
| Tangible assets | 7,500 | - | 7,500 | - |
| Current assets/(liabilities) | 29,567 | 1,012 | 30,579 | 91,963 |
| | <u>37,067</u> | <u>1,012</u> | <u>38,079</u> | <u>91,963</u> |

15 Operating lease commitments

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

| | 2018 | 2017 |
|-----------------|------------|----------|
| | £ | £ |
| Within one year | <u>675</u> | <u>-</u> |

16 Related party transactions

Businesses that share one or more of the directors of Luis Palau made donations of £3,000 in the year (2017: £3,500).