



Elim Pentecostal Church
Elim Foursquare Gospel Alliance

EPC SERVICES LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002



Company number 3365059

EPC SERVICES LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

INDEX	PAGE
Legal and Administrative Details	1
Report of Directors	2 - 3
Report of the Auditors	4 - 5
Principal Accounting Policies	6
Profit and Loss Account	7
Balance Sheet	8
Notes to the Financial Statements	9 - 12

EPC SERVICES LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

LEGAL AND ADMINISTRATIVE DETAILS

Company registration number	3365059
Principal address	115 St Georges Rd Cheltenham Gloucestershire GL50 3ED
Directors	Rev B G Edwards Rev G J Feasey - appointed 11 September 2001 Rev J J Glass - appointed 11 September 2001 Rev R Millar - appointed 15 Jan 2002 Rev J C Smyth - resigned 15 Jan 2002 Rev A Taylor - appointed 11 September 2001
Secretary	Rev B Hunter
Bankers	National Westminster Bank plc 31 Promenade Cheltenham Gloucestershire GL50 1LH
Solicitors	Rickerbys Ellenborough House Wellington Street Cheltenham Gloucestershire GL50 1YD
Auditors	Grant Thornton Registered Auditors Chartered Accountants The Quadrangle Imperial Square Cheltenham Gloucestershire GL50 1PZ

EPC SERVICES LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

REPORT OF THE DIRECTORS

The directors present their report together with the financial statements for the year ended 30 June 2002.

Principal activities

The company is principally engaged in the management of insurances for the Elim Foursquare Gospel Alliance and the running of conferences for the same organisation.

Business review

The loss for the year after taxation amounted to £2,729 (2001 : profit £21,021). Results reflect the growing constraints on the insurance market but a new agreement has been negotiated with our main insurers, Congregational and General, protecting current rates for a further three years. It is anticipated that trading for the year to June 2003 will generate similar results, though discussions are underway with regard to expanding conference and seminar management activities, as well as management of the Alliance's publishing activities.

The directors have decided not to recommend the payment of a dividend and the profit for the year has been added to the reserves.

Directors

The present membership of the Board is set out below. All directors served throughout the year except for Rev G J Feasey, Rev J J Glass, and Rev A Taylor, who were appointed on 11 September 2001, Rev R Millar who was appointed on 15 January 2002, and Rev J C Smyth who resigned on 15 January 2002.

No director had an interest in the shares of the company or its parent undertaking at 1 July 2001 or 30 June 2002.

Rev B G Edwards
Rev G J Feasey
Rev J J Glass
Rev R Millar
Rev A Taylor

Directors' responsibilities for the financial statements

United Kingdom 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 company and of the profit and loss of the company for that period. In preparing those financial statements, the directors are required to:

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

The directors are responsible for maintaining proper accounting records, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

EPC SERVICES LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

REPORT OF THE DIRECTORS

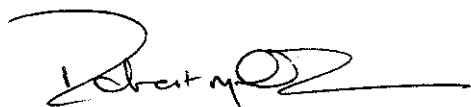
Charitable and political contributions

Donations to charitable organisations amounted to £12,050 (2001 : £nil).

Auditors

Grant Thornton offer themselves for reappointment as auditors in accordance with section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD

A handwritten signature in black ink, appearing to read 'Robert Millar', with a stylized flourish at the end.

REV ROBERT MILLAR
Director

Date 5 MARCH 2003

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF

EPC SERVICES LIMITED

We have audited the financial statements of EPC Services Limited for the year ended 30 June 2002 which comprise the principal accounting policies, the profit and loss account, the balance sheet and notes 1 to 12. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and auditors

The directors' responsibilities for preparing the directors' report and the financial statements in accordance with United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read other information contained in the directors' report, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of opinion

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF

EPC SERVICES LIMITED (CONTINUED)

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 June 2002 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Grant Thornton

**GRANT THORNTON
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS**

CHELTENHAM
Date: 5 March 2003

EPC SERVICES LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

PRINCIPAL ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention and on a going concern basis.

The principal accounting policies of the company are set out below and have remained unchanged from the previous year.

TURNOVER

Turnover is the amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost, net of depreciation.

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets by equal annual instalments over their expected useful lives. The rates generally applicable are:

Fixtures and fittings	25%
Computer equipment	25%

EPC SERVICES LIMITED**PROFIT AND LOSS ACCOUNT****for the year ended 30 June 2002**

	Note	2002 £	2001 £
Turnover	1	229,761	255,262
Cost of sales		(159,332)	(168,360)
Gross profit		70,429	86,902
Administrative expenses		(86,141)	(74,321)
Other operating income	1	11,552	10,190
(Loss)/profit on ordinary activities before taxation	1	(4,160)	22,771
Tax on (loss)/profit from ordinary activities	3	1,431	(1,750)
(Loss)/profit transferred (from)/to reserves		(2,729)	21,021

STATEMENT OF RESERVES

	2002 £	2001 £
At 1 July 2001	10,543	(10,478)
Retained (loss)/profit for the year	(2,729)	21,021
At 30 June 2002	7,814	10,543

There were no recognised gains or losses other than the profit for the financial year.

The accompanying accounting policies and notes form an integral part of these financial statements

EPC SERVICES LIMITED**BALANCE SHEET AT 30 JUNE 2002**

	Note	2002 £	2001 £
Fixed Assets			
Tangible assets	4	-	751
Current Assets			
Debtors	5	35,813	254,411
Cash at bank and in hand		40,345	30,827
		<u>76,158</u>	<u>285,238</u>
Creditors: amounts falling due within one year	6	(68,343)	(275,445)
		<u>7,815</u>	<u>9,793</u>
Net current assets			
		<u>7,815</u>	<u>9,793</u>
Total assets less current liabilities		<u>7,815</u>	<u>10,544</u>
Capital and reserves			
Called up share capital	7	1	1
Profit and loss account		7,814	10,543
		<u>7,815</u>	<u>10,544</u>
Equity shareholders' funds	8	<u>7,815</u>	<u>10,544</u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board of Directors on 5 MARCH 2003



Rev R Millar

Director

The accompanying accounting policies and notes form an integral part of the financial statements

EPC SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2002

1 TURNOVER AND (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The turnover and (loss)/profit before taxation are attributable to insurance commissions and conference income and relate to continuing activities.

	2002	2001
	£	£
The (loss)/profit on ordinary activities is stated after:		
Auditors' remuneration	3,500	3,100
Depreciation and amortisation:		
Tangible fixed assets owned	751	1,198
Other operating income - offerings	<u>11,552</u>	<u>10,190</u>

2 DIRECTORS AND EMPLOYEES

	2002	2001
	£	£
Staff costs during the year were as follows:		
Wages and salaries	35,011	35,204
Social security costs	3,075	3,198
	<u>38,086</u>	<u>38,402</u>

The average number of employees of the company during the year was 2 (2001: 2) all of whom were engaged in administration.

No director received any remuneration during the year.

3 TAX ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES

	2002	2001
	£	£
The tax (credit)/charge represents:		
Corporation Tax (2001: 13%)	-	1,750
Adjustment in respect of prior period	(1,431)	-
Total current tax and tax on (loss)/profit on ordinary activities	<u>(1,431)</u>	<u>1,750</u>

EPC SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2002

3 TAX ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES (Continued)

The tax assessed for the period is lower than the standard rate of corporation tax in the UK 10% (2001: 10%).
The differences are explained as follows:

	2002 £	2001 £
(Loss)/profit on ordinary activities before tax	<u>(4,160)</u>	<u>22,771</u>
(Loss)/profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2001: 10%)	(832)	2,277
Effect of:		
Expenses not deductible for tax purposes	921	593
Depreciation in excess of capital allowances	(89)	(65)
Utilisation of tax losses	-	(1,055)
Adjustment in respect of prior period	(1,431)	-
	<u>(1,431)</u>	<u>1,750</u>
Total current tax	<u>(1,431)</u>	<u>1,750</u>

4 TANGIBLE FIXED ASSETS

	Fixtures & fittings £	Computer equipment £	Total £
Cost			
At 1 July 2001	746	4,044	4,790
Additions	-	-	-
At 30 June 2002	<u>746</u>	<u>4,044</u>	<u>4,790</u>
Depreciation			
At 1 July 2001	746	3,293	4,039
Provided in year	-	751	751
At 30 June 2002	<u>746</u>	<u>4,044</u>	<u>4,790</u>
Net book amount at 30 June 2002	<u>-</u>	<u>-</u>	<u>-</u>
Net book amount at 30 June 2001	<u>-</u>	<u>751</u>	<u>751</u>

EPC SERVICES LIMITED**NOTES TO THE FINANCIAL STATEMENTS****for the year ended 30 June 2002****5 DEBTORS**

	2002	2001
	£	£
Trade debtors	25,813	245,527
Amount owed by group undertakings	10,000	8,884
	<u>35,813</u>	<u>254,411</u>

6 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2002	2001
	£	£
Trade creditors	2,617	200,264
Amounts due to group undertakings	41,962	36,373
Corporation tax	-	1,750
Social security and other taxes	6,869	4,260
Accruals	15,550	3,650
Deferred income	1,345	29,148
	<u>68,343</u>	<u>275,445</u>

7 SHARE CAPITAL

	2002	2001
	£	£
Authorised		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted, called up and fully paid		
1 ordinary share of £1 each	<u>1</u>	<u>1</u>

EPC SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2002

8 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2002	2001
	£	£
(Loss)/profit for the financial year	(2,729)	21,021
Net movement in shareholders' funds	<u>(2,729)</u>	<u>21,021</u>
Shareholders' funds at 1 July 2001	10,544	(10,477)
	<u> </u>	<u> </u>
Shareholders' funds at 30 June 2002	<u>7,815</u>	<u>10,544</u>

9 CAPITAL COMMITMENTS

The company had no capital commitments at 30 June 2002 or 30 June 2001.

10 CONTINGENT LIABILITIES

The company had no contingent liabilities at 30 June 2002 or 30 June 2001.

11 TRANSACTIONS WITH RELATED PARTIES

During the year Elim Foursquare Gospel Alliance, the parent undertaking, paid expenses on behalf of the company. At the year end the company owed Elim Foursquare Gospel Alliance £41,962 (2001: £36,373)

At the year end the company was owed £10,867 (2001: £8,884) by Direction Resources Limited a fellow subsidiary undertaking.

12 CONTROLLING RELATED PARTY

The directors consider that the company's ultimate controlling related party is Elim Foursquare Gospel Alliance. The Elim Trust Corporation acts as a trustee for Elim Foursquare Gospel Alliance.