

# **GFA WORLD**

(A Company Limited by Guarantee)

**(PREVIOUSLY KNOWN AS GOSPEL FOR ASIA (UK))**

**CHARITY REGISTRATION NUMBER 1064738**

**REGISTERED COMPANY NUMBER 03433617**

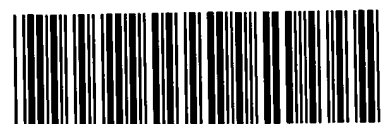
## **REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 MARCH 2018**

**PCLG Limited  
Chartered Accountants  
Equinox House  
Clifton Park Avenue  
Shipton Road  
York  
YO30 5PA**

**SATURDAY**



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**22/12/2018**  
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# **GFA WORLD**

(A COMPANY LIMITED BY GUARANTEE)

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# **GFA WORLD**

(A COMPANY LIMITED BY GUARANTEE)

## **COMPANY INFORMATION**

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<b>CHARITY NUMBER</b>	1064738
<b>COMPANY REGISTRATION NUMBER</b>	03433617
<b>DIRECTORS/TRUSTEES</b>	Kadappilaril Yohannan Punnose Daniel Punnose Paul Jonathan Thomson Paul Robert Blackham Stephen Robert Chamberlain Nichols Brian Kirik Christopher Geoffrey Cobbold
<b>GOVERNING DOCUMENT</b>	Memorandum and Articles of Association incorporated 12th September 1997 (and amended on 17th June 2017).
<b>OBJECTS</b>	<p>The objects of the Charity for the year were:</p> <p>a) to relieve or prevent financial hardship and suffering anywhere in the world by means including (but not limited to):</p> <ul style="list-style-type: none"><li>i) providing education and training;</li><li>ii) providing grants, goods and services;</li><li>iii) providing emergency and ongoing support to people affected by conflict or disaster;</li><li>iv) educating, engaging with and mobilising people on the United Kingdom and other countries concerning such hardship and suffering;</li></ul> <p>b) to advance health and relieve sickness anywhere in the world;</p> <p>c) to promote and enable education, especially amongst those with limited or no access to it;</p> <p>d) to promote and uphold the principles of the Christian faith throughout the world including (but not limited to):</p> <ul style="list-style-type: none"><li>i) supporting indigenous Christians and their efforts to demonstrate the love of Christ, especially in fulfilling the above objects;</li><li>ii) in the United Kingdom and other countries particularly through teaching and through distributing literature.</li></ul>
<b>CORRESPONDENCE ADDRESS</b>	The Message Enterprise Centre 6 Harper Road Sharston Manchester M22 4RG
<b>BANKERS</b>	Barclays Bank plc 1-3 Parliament Street York YO1 8GA

# **GFA WORLD**

(A COMPANY LIMITED BY GUARANTEE)

## **COMPANY INFORMATION**

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### **AUDITORS**

PCLG Limited  
Chartered Accountants  
Equinox House  
Clifton Park Avenue  
Shipton Road  
York  
YO30 5PA

### **LEGAL ADVISORS**

Bates Wells Braithwaite London LLP  
10 Queen Street Place  
London  
EC4R 1BE

## **GFA WORLD**

(A COMPANY LIMITED BY GUARANTEE)

### **DIRECTORS' AND TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018**

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The directors (who are also the trustees) present their report and the accounts of the charity for the year ended 31st March 2018, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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 1st January 2015).

#### **Governing Instrument**

The Company (registered number 03433617 England and Wales) is limited by guarantee and is a charity registered with the Charity Commissioners number 1064738 and is not, therefore, subject to corporation tax. The Memorandum and Articles of Association are dated 12th September 1997 (and amended on 17th June 2017).

#### **Registered Office**

The Message Enterprise Centre  
6 Harper Road  
Sharston  
Manchester  
M22 4RG

#### **Trustees and Directors**

The directors in office, and the trustees, during the period were:

Kadappilaril Yohannan Punnose  
Daniel Punnose  
Paul Jonathan Thomson  
Paul Robert Blackham  
Stephen Robert Chamberlain Nichols  
Brian Kirik  
Christopher Geoffrey Cobbold

#### **Objects of the charity and principal activities**

The Charity is constituted as a company limited by guarantee, and is therefore governed by a memorandum and articles of association.

On 18th October 2017 Gospel For Asia (UK) changed its name to GFA World, and in addition on 17th June 2017 the Objects of the Charity were revised. The reason for the change in name and revision of the objects was to reflect the increasing scope and geographical coverage of the Charity's work.

## **GFA WORLD**

(A COMPANY LIMITED BY GUARANTEE)

### **DIRECTORS' AND TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018**

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#### **Public Benefit statement**

The Charity's objectives and principal activities for the period under review were raising support for workers and compassion ministries in Asia and educating and mobilising the Church in the United Kingdom and Europe. Our Trustees believe that these objectives and activities exceed the general guidelines for public benefit set by the Charity Commission.

#### **Key Activities**

The key activities during the year were:

- a) To help provide education to indigenous Christian workers to ensure their effectiveness in Christian ministry and the accurate teaching of the Christian orthodoxy.
- b) To support indigenous Christian workers in their efforts to share the love of Christ to their own countries and help provide them with needed ministry tools.
- c) To help underprivileged children in Asia through Bridge of Hope Centres that provide food, clothing, medical care, education, and the expression of Christ's love for them.
- d) To help demonstrate Christ's love through disaster relief, drilling wells, and helping poor families break the cycle of poverty with income producing aid.
- e) To spread Good News through radio broadcasts in 113 languages, mobile film teams, and printed literature.
- f) To educate the UK and European church in an orthodox, Biblical understanding of following Christ and encourage lives filled with a practical expression of Christ's love.

In setting the objectives and planning activities for the period, the trustees have given careful consideration to the Charity Commission's general guidance on public benefit, as laid out in section 4 of the 2011 Charities Act, at the Trustees meetings.

#### **Review of the Business**

The results for the year under review and financial position of the company are as shown in the annexed financial statements.

The accounting year end was changed in the previous year from 31st December to 31st March in order to align the charity's accounting period with that of its key mission field partner.

The Statement of Financial Activities on page 9 details the financial position of the charity for the year ended 31st March 2018 and the accumulated funds at the year end.

During the period the charity received charitable donations, legacies, and investment income amounting to £1,565,432 (15 month period ended 31 March 2017 £1,924,616). During the period no charitable grants were made to Believers Eastern Church, the charity's mission field partner. This was because the charity's licence to transfer funds to India was going through its standard 5-yearly renewal process. The timing of this renewal process being completed meant that it was not possible to transfer funds prior to the year end. In October 2018 £2,560,000 was transferred to charities having licence tenure which had approval of Believers Eastern Church. This charitable expenditure will be reflected in the financial statements for the year ended 31 March 2019. During the previous period the company made charitable donations amounting to £1,742,000 (£1,660,000 was made from the restricted funds to Believers Eastern Church and £82,000 was made from unrestricted funds to Gospel For Asia (US) to fund radio broadcasts). Further detail is given in Note 3 to the accounts.

The Charity's aims and objectives going forward are to continue the key activities above.

## **GFA WORLD**

(A COMPANY LIMITED BY GUARANTEE)

### **DIRECTORS' AND TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018**

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#### **Appointment/Election of Trustees and Retirement of Trustees by Rotation**

Trustees are appointed/elected following the procedures laid out in Articles 25 to 27 of the Memorandum and Articles of Association.

#### **Methods for the Recruitment and Appointment of Trustees**

The Trustees are believers in Jesus Christ who adhere to the Charity's Statement of Faith. Any person who approaches the Charity wishing to be a Trustee is advised to learn fully about GFA World through the free downloadable materials on their website. New trustees are nominated and seconded by meeting attendees and recorded in the minutes. New trustees are then given a handover to fully explain their role by an existing trustee or by the outgoing trustee.

#### **Tangible fixed assets**

Details of movements in fixed assets are set out in Note 6 to the Accounts.

#### **Powers and Responsibilities of Trustees**

These powers and responsibilities are laid out in Articles 7 to 13 of the Memorandum and Articles of

#### **Reserves**

It is the policy of the Charity to maintain, where possible, unrestricted funds, which amount to no less than approximately six months expenditure on managing and administering the Charity. This provides sufficient funds to cover management and administration costs in the event of a significant drop in income which will enable the Trustees to consider how to replace the income.

As at 31 March 2018 total unrestricted general income funds carried forward were £8,368 (2017 £69,402), which is less than six months unrestricted expenditure on managing and administering the Charity. The Trustees are carefully monitoring the situation to ensure the Charity's obligations are met as they fall due. To date all obligations have been met as they fall due.

#### **Risk management**

The Trustees actively review the major risks which the Charity faces on a regular basis and believe that maintaining reserves at current levels, combined with an annual review over key financial systems will provide sufficient resources in the event of adverse conditions. The Trustees have also examined other operational and business risks faced by the Charity and confirm that they have established systems in place to mitigate the significant risks.

#### **Organisational Structure**

The Trustees are responsible for the strategic direction of the Charity. Day to day responsibility for the administration of the Charity's funds rests with the office administrator (Mr J P Dao) who reports directly to the Trustees. The arrangements for setting the remuneration of the office administrator and administration staff are undertaken by the Trustees.

The Trustees are also responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

# **GFA WORLD**

(A COMPANY LIMITED BY GUARANTEE)

## **DIRECTORS' AND TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018**

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### **Organisational Structure (continued)**

GFA World is a separate legal entity from Gospel For Asia (US) and as such there is no direct control over the day to day operations of GFA World. The Board of GFA World does include Kadappilaril Yohannan Punnose and Daniel Punnose, both of whom sit on the Gospel For Asia (US) board. Support and advice is provided by Gospel For Asia (US) to GFA World when this is considered appropriate, but the overall corporate governance and financial management arrangements are determined by the board of GFA World.

### **Trustees' Responsibilities**

Company law requires the charity trustees to prepare financial statements for each financial period which give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the period. In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

- ~ 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 and statements of recommended practice have been followed, subject to any 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 proper accounting records which disclose with reasonable accuracy the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### **Statement of Disclosure to Auditors**

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Signed on behalf of the Board of Directors



**Paul Jonathan Thomson**  
**5 December 2018**



## **GFA WORLD**

(A COMPANY LIMITED BY GUARANTEE)

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS FOR THE YEAR ENDED 31 MARCH 2018**

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We have audited the financial statements of GFA World for the year ended 31 March 2018, which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes on pages 9 to 21. These financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and Section 144 of the Charities Act 2011 and the regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity'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 Charity and the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of the trustees and auditors**

As explained more fully in the Statement of Trustees' Responsibilities, set out on page 6, the trustees (who are also the directors of GFA World for the purposes of company law) are responsible for the preparation of the Trustees' Annual Report and the financial statements and for being satisfied that the Charity's financial statements give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify any material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

## **GFA WORLD**

(A COMPANY LIMITED BY GUARANTEE)

### **INDEPENDENT AUDITORS REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018**

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#### **Opinion on financial statements**

In our opinion the financial statements:

- ~ give a true and fair view of the state of the Charity's affairs as at 31 March 2018, and of its incoming resources and application of resources, including its income and expenditure, in the year then ended; and
- ~ have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice; and
- ~ have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- ~ adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- ~ the financial statements are not in agreement with the accounting records and returns;
- ~ certain disclosures of trustees' remuneration specified by law are not made; or
- ~ we have not received all the information and explanations we require for our audit; or
- ~ the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

Mr Ian P Broadley (senior statutory auditor)  
For and on behalf of PCLG Limited

Chartered Accountants  
Statutory Auditor

5 December 2018

Equinox House  
Clifton Park Avenue  
Shipton Road  
York  
YO30 5PA

**GFA WORLD**

(A COMPANY LIMITED BY GUARANTEE)

**STATEMENT OF FINANCIAL ACTIVITIES INCLUDING AN INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2018**

				<b>Total 12 Month Year Ended 31 March 2018 £</b>	<b>Total 15 Month Period Ended 31 March 2017 £</b>
<b>INCOMING RESOURCES</b>	<b>Notes</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>		
<b>Incoming Resources from Generating Funds</b>					
~ Voluntary Income: Donations, Legacies, and Similar Incoming Resources	<b>2a</b>	296,241	1,266,788	1,563,029	1,922,225
~ Investment Income	<b>2b</b>	2,403	-	2,403	2,326
<b>Other Incoming Resources</b>	<b>2c</b>	-	-	-	65
<b>TOTAL INCOMING RESOURCES</b>		<b>298,644</b>	<b>1,266,788</b>	<b>1,565,432</b>	<b>1,924,616</b>
<b>RESOURCES EXPENDED</b>					
<b>Charitable Activities</b>	<b>3a</b>	-	-	-	1,742,000
<b>Costs of Generating Funds</b>					
~ Costs of Generating Voluntary Income	<b>3b</b>	282,009	-	282,009	293,702
<b>Other Resources Expended</b>	<b>3c</b>	77,669	688	78,357	105,292
<b>TOTAL RESOURCES EXPENDED</b>		<b>359,678</b>	<b>688</b>	<b>360,366</b>	<b>2,140,994</b>
<b>NET (DEFICIT)/SURPLUS FOR THE PERIOD</b>		<b>(61,034)</b>	<b>1,266,100</b>	<b>1,205,066</b>	<b>(216,378)</b>
<b>TOTAL FUNDS BROUGHT FORWARD</b>		<b>69,402</b>	<b>852,957</b>	<b>922,359</b>	<b>1,121,155</b>
Exchange rate differences on \$ account		-	(966)	(966)	1,162
Exchange rate differences on € account		-	(4,029)	(4,029)	16,420
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>8,368</b>	<b>2,114,062</b>	<b>2,122,430</b>	<b>922,359</b>

The Company's income and expenditure all relate to continuing operations.

The Company had no recognised gains or losses other than the exchange rate differences shown.

The accounting policies and notes on pages 11 to 21 form part of these accounts.

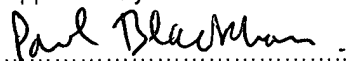
# GFA WORLD

(A COMPANY LIMITED BY GUARANTEE)

## BALANCE SHEET AT 31 MARCH 2018

	Notes	31 March 2018		31 March 2017	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible Assets	6		25,006		27,758
<b>CURRENT ASSETS</b>					
Debtors	8	6,971		19,058	
Cash at Bank and in Hand	7	2,117,718		890,779	
		2,124,689		909,837	
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	9	(27,265)		(15,236)	
<b>NET CURRENT ASSETS</b>			2,097,424		894,601
<b>NET ASSETS</b>			2,122,430		922,359
<b>CAPITAL AND RESERVES</b>	11				
Restricted income funds			2,114,062		852,957
Unrestricted general income funds			8,368		69,402
<b>TOTAL CHARITY FUNDS</b>			2,122,430		922,359

Approved by the trustees and signed on their behalf by:



Paul Robert Blackham  
Director and Trustee



Paul Jonathan Thomson  
Director and Trustee

5 December 2018

CHARITY REGISTRATION NUMBER 1064738

REGISTERED COMPANY NUMBER 03433617

# **GFA WORLD**

(A COMPANY LIMITED BY GUARANTEE)

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018**

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### **1 ACCOUNTING POLICIES**

#### **a) Basis of Preparation of Accounts**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The company meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

#### **b) Reporting Period**

As permitted by the Companies Act 2006, the financial year end of the Charity was extended in the previous year from 31 December to 31 March, forming a 15 month accounting period. The purpose of this was to align the charity's accounting period with that of its key mission field partner. Accordingly, the comparative amounts presented in the financial statements (including the related notes) are not entirely comparable.

#### **c) Reconciliation with previous Generally Accepted Accounting Practice**

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required. The reported financial position and the financial performance for the previous period are not affected by the transition to FRS 102.

#### **d) Company Status**

The Charity is a company limited by guarantee, incorporated in England and Wales. The sole member of the Charity is Kadappilaril Yohannan Punnose, a director and trustee of the Charity. Subsequent to the previous period end, the membership transferred to Believers Eastern Church on 17 June 2017. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity.

#### **e) Cash Flow**

The accounts do not include a cash flow statement because the Company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Section 1A of FRS 102.

#### **f) Incoming Resources**

Voluntary income and donations are included in incoming resources when they are receivable, except when donor's conditions have not been fulfilled, then the income is deferred. No amounts are included in the financial statements for services donated by volunteers. The income from fundraising ventures is shown gross, with the associated costs included in fundraising costs.

# **GFA WORLD**

(A COMPANY LIMITED BY GUARANTEE)

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018**

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### **1 ACCOUNTING POLICIES (CONTINUED)**

#### **g) Resources Expended**

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT.

Expenditure which is directly attributable to specific activities has been included in these cost categories. Where costs are attributable to more than one activity, these have been apportioned across the cost categories on a basis consistent with the use of these resources.

#### **h) Funds**

GFA World has been analysed over the different types of fund, which are:

##### **Unrestricted Funds:**

Unrestricted funds are those which are not subject to any special restriction and they can be used as the trustees decide. All gift aid receipts are treated as unrestricted funds. Designated funds are part of unrestricted funds and are amounts the trustees have set aside to cover particular expenditure.

##### **Restricted Funds:**

Restricted funds are those where the donor has imposed restrictions on how the fund may be used, but which do not prevent the fund being spent. GFA World aims to honour donor gift preferences but retains discretion on how the funds are allocated. If needed, the mission partners may use a portion of donations received for a similar ministry project or to cover their overheads in administering ministry projects in Asia.

#### **i) Taxation**

No corporation tax has been provided in these accounts because trustees believe that the income and gains of the Charity are within the exemption granted by Section 505 of the Income and Corporation Taxes Act 1988.

#### **j) Shares**

The company is limited by guarantee and no shares have been issued.

#### **k) Value added tax**

Value added tax is not recoverable by the Charity, and as such is included in the relevant costs in the Statement of Financial Activities.

# **GFA WORLD**

(A COMPANY LIMITED BY GUARANTEE)

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018**

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### **1 ACCOUNTING POLICIES (CONTINUED)**

**l) Tangible Fixed Assets and Depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Office Furniture and Equipment	10% Reducing Balance
Computer Equipment	20% on Cost
Motor Vehicle	25% Reducing Balance

The costs of minor additions or those costing below £100 are not capitalised.

**m) Foreign Currency Translation**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken directly to reserves.

**n) Operating Leases**

Rental charges applicable to operating leases are charged to the Statement of Financial Activities over the period they are incurred.

**o) Expenditure on Management and Administration of the Charity**

Administration expenditure includes all expenditure not directly related to the charitable activity or fundraising ventures. This includes costs of renting and running office premises, staff salaries for administrative staff and audit fees.

**p) Costs of Generating Funds**

Fundraising expenditure comprises costs incurred in encouraging people and organisations to contribute financially to the charity's work. This includes the cost of advertising for donations and the staging of special fund raising events.

**q) Pensions**

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

# GFA WORLD

(A COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

2 INCOMING RESOURCES		Notes			Total 12 Month Year Ended 31 March 2018 £	Total 15 Month Period Ended 31 March 2017 £
			Unrestricted Funds £	Restricted Funds £		
a)	Donations, Legacies and Similar Incoming Resources					
	Donations and legacies, including tax recovered		296,241	1,266,788	1,563,029	1,922,225
			<u>296,241</u>	<u>1,266,788</u>	<u>1,563,029</u>	<u>1,922,225</u>
b)	Investment Income					
	Dollar Interest	12	35	-	35	12
	Bank Interest		2,099	-	2,099	2,045
	Interest received from HMRC		269	-	269	269
			<u>2,403</u>	<u>-</u>	<u>2,403</u>	<u>2,326</u>
c)	Other Incoming Resources					
	Other income		-	-	-	65
			<u>-</u>	<u>-</u>	<u>-</u>	<u>65</u>
3 RESOURCES USED					Total 12 Month Year Ended 2018 £	Total 15 Month Period Ended 2017 £
a)	Donations paid in furtherance of Charity's objects		-	-	-	1,742,000
			<u>-</u>	<u>-</u>	<u>-</u>	<u>1,742,000</u>



## GFA WORLD

(A COMPANY LIMITED BY GUARANTEE)

### NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2018

During the period the charity received charitable donations, legacies, and investment income amounting to £1,565,432 (15 months ended 31 March 2017 £1,924,616). During the period no charitable grants were made to Believers Eastern Church, the charity's mission field partner. This was because the charity's licence to transfer funds to India was going through its standard 5-yearly renewal process. The timing of this renewal process being completed meant that it was not possible to transfer funds prior to the year end. In October 2018 £2,560,000 was transferred to charities having licence tenure which had approval of Believers Eastern Church. This charitable expenditure will be reflected in the financial statements for the year ended 31 March 2019.

During the previous period, on 18th October 2016 a donation of £1,660,000 was made to Believers Eastern Church to further the Charity's objectives (note 10). Also during the previous period, on 24th May 2016 a donation was made to Gospel For Asia (US) for £82,000 for two months of "Road to Reality" radio broadcasts in the US. Two of the trustees of GFA World are also trustees of Gospel for Asia (US), and as such were not present in the meeting where the decision was made to make the grant (note 10).

#### b) Costs of Generating Funds

	Unrestricted Funds £	Restricted Funds £	Total 12 Month Year Ended 31 March 2018 £	Total 15 Month Period Ended 31 March 2017 £
Printing, Postage and Stationery	110,814	-	110,814	88,314
Staff Wage Costs including National Insurance	62,136	-	62,136	59,215
Employer's Contribution to Defined Contribution Pension Scheme	502	-	502	388
Staff and Office Volunteer Expenses	2,232	-	2,232	387
Computer Consultancy and Running Costs	11,967	-	11,967	15,524
Exhibitions	14,286	-	14,286	12,964
Advertising	24,897	-	24,897	36,905
Key Partners Costs	280	-	280	210
Website Development Costs	845	-	845	11,710
Travel and Motor Costs	4,796	-	4,796	9,867
Consultancy	11,575	-	11,575	-
Public Relations	24,583	-	24,583	28,120
Bank Charges and Other Fees	11,032	-	11,032	16,158
Depreciation	2,064	-	2,064	13,940
	<u>282,009</u>	<u>-</u>	<u>282,009</u>	<u>293,702</u>

# GFA WORLD

(A COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2018

### c) Other Resources Expended:

			Total 12 Month Year Ended 31 March 2018 £	Total 15 Month Period Ended 31 March 2017 £
Resources Expended on Managing and Administering the Charity	Unrestricted Funds £	Restricted Funds £		
Printing, Postage and Stationery	3,264	-	3,264	283
Telephone Costs	1,843	-	1,843	5,026
Audit and Accountancy	3,960	-	3,960	6,000
Payroll Bureau Costs	528	-	528	504
Donated Property Costs	-	688	688	-
Sundries	76	-	76	50
Depreciation	2,377	-	2,377	3,598
Loss on Disposal of Assets	1,221	-	1,221	-
Office Expenses	2,946	-	2,946	4,151
Computer Consultancy and Running Costs	2,880	-	2,880	3,900
Office Rent and Storage Costs	34,139	-	34,139	43,468
Repairs and Maintenance	-	-	-	38
Staff Wage Costs including National Insurance	7,929	-	7,929	10,019
Legal and Professional Fees	12,184	-	12,184	24,178
Insurance	1,283	-	1,283	1,131
Subscriptions, Licences and Permits	3,039	-	3,039	2,946
	<u>77,669</u>	<u>688</u>	<u>78,357</u>	<u>105,292</u>

The legal and professional costs incurred in this year and the previous period arose primarily as a consequence of the Trustees carrying out a review of the governance arrangements of the charity, taking a number of steps to strengthen corporate governance and to support the creation of a formal grant arrangement with the Charity's mission field partners. As part of this review the Charity sought legal advice from Bates Wells Braithwaite Solicitors.

4 RESTRICTED FUNDS	Balance 01/04/2017 £	Income £	Expenditure £	Exch. Rate Differences £	Balance 31/03/2018 £
	<u>852,957</u>	<u>1,266,788</u>	<u>(688)</u>	<u>(4,995)</u>	<u>2,114,062</u>

All restricted funds are to be spent on supporting overseas ministries in Asia.

# GFA WORLD

(A COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2018

### 5 NET INCOMING RESOURCES FOR THE PERIOD

	Total 12 Month Year Ended 31 March 2018 £	Total 15 Month Period Ended 31 March 2017 £
This is stated after charging:		
Depreciation	4,441	17,538
Loss on disposal of assets	1,221	-
Auditors' remuneration	3,960	4,000

### 6 TANGIBLE FIXED ASSETS

	Office Furniture and Equipment £	Computer Equipment £	Motor Vehicle £	Total £
<b>Cost</b>				
At 1 April 2017	53,539	144,456	7,500	205,495
Additions	-	2,910	-	2,910
Disposals	(3,616)	(85,352)	-	(88,968)
At 31 March 2018	49,923	62,014	7,500	119,437
<b>Depreciation</b>				
At 1 April 2017	29,280	141,247	7,210	177,737
Charge for the period	2,304	2,064	73	4,441
Depreciation on disposal	(2,395)	(85,352)	-	(87,747)
At 31 March 2018	29,189	57,959	7,283	94,431
<b>Net book value</b>				
At 31 March 2018	20,734	4,055	217	25,006
At 31 March 2017	24,259	3,209	290	27,758

# GFA WORLD

(A COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2018

7 CASH AT BANK AND IN HAND	Notes	2018 £	2017 £
Barclays Field Account #1		138,728	222,205
Barclays General Account #1		1,000	14,737
Barclays Base Rate Savings #1		1,895,390	431,376
Barclays Base Rate Savings #2		60,449	78,094
US\$ Account #1	12	-	4,873
US\$ Account #2		-	2,409
Euro Account		21,882	137,055
Cash in Hand		269	30
		<u>2,117,718</u>	<u>890,779</u>
8 DEBTORS		2018 £	2017 £
Income Tax Recoverable		2,288	13,424
Prepayments and Other Debtors		<u>4,683</u>	<u>5,634</u>
		<u>6,971</u>	<u>19,058</u>
9 CREDITORS FALLING DUE WITHIN ONE YEAR		2018 £	2017 £
Trade Creditors		17,783	9,796
Audit and Accountancy		4,092	3,708
PAYE		1,526	1,316
Other Creditors		<u>3,864</u>	<u>416</u>
		<u>27,265</u>	<u>15,236</u>

## GFA WORLD

(A COMPANY LIMITED BY GUARANTEE)

### NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2018

#### 10 TRANSACTIONS WITH DIRECTORS/TRUSTEES AND RELATED PARTIES

During the year, none of the Trustees of GFA World received remuneration from the Charity (2017 £nil).

Kadappilaril Yohannan Punnose, is Metropolitan Bishop of Believers Eastern Church, which is GFA World's primary recipient of funds. Whilst he does not sit on the Board of Believers Eastern Church and receives no remuneration from Believers Eastern Church, he does exercise spiritual oversight through his role as a member of Believers Eastern Church's Council of Bishops. Daniel Punnose is the son of Kadappilaril Yohannan Punnose and is an ordained minister and is a Bishop of Believers Eastern Church (among many), but has no formal leadership role in Asia. He is not on the Board of Believers Eastern Church and receives no remuneration from Believers Eastern Church.

Gospel for Asia (US) provided some administrative support for many of the appeals and communications with supporters in the UK at nil cost. Kadappilaril Yohannan Punnose and Daniel Punnose are both members of the Board of Gospel for Asia (US) and received remuneration from Gospel for Asia (US) for their services.

#### 11 RECONCILIATION OF MOVEMENT ON CAPITAL AND RESERVES

	<b>Total 12 Month Year Ended 31 March 2018 £</b>	<b>Total 15 Month Period Ended 31 March 2017 £</b>
Surplus/(Deficit) for the financial period	1,205,066	(216,378)
Conversion rate movement on Euro account - current period	(4,029)	16,420
Conversion rate movement on \$ account No 1 - current period	(650)	777
Conversion rate movement on \$ account No 2 - current period	(316)	385
	<hr/>	<hr/>
	1,200,071	(198,796)
Opening Funds at 1 April 2017	922,359	1,121,155
	<hr/>	<hr/>
Closing Funds at 31 March 2018	2,122,430	922,359
	<hr/>	<hr/>

The company is limited by guarantee and does not have a share capital.

## GFA WORLD

(A COMPANY LIMITED BY GUARANTEE)

### NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2018

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#### 12 DOLLAR ACCOUNT

The dollar account funds are currently held in a business premium account.

	Balance US\$	Balance UK£ (note 7)
Balance as at 1st April 2017	6,070	4,873
Exchange rate difference (note 11)	-	(650)
Donation and Bank Charges	-	-
Bank Transfer	(6,117)	(4,258)
Interest Received	47	35
	<hr/>	<hr/>
Balance as at 31st March 2018	-	-

#### 13 STAFF COSTS

	Total 12 Month Year Ended 31 March 2018 £	Total 15 Month Period Ended 31 March 2017 £
Gross Wages and Salaries	67,157	66,134
Employers National Insurance Costs	2,908	3,100
Employer's Contribution to Defined Contribution Pension Scheme	502	388
	<hr/>	<hr/>
	70,567	69,622

There were four employees during the period (2017 - four employees).

Neither the trustees nor any persons connected with them have received any remuneration from GFA World during the period.

There were no employees with emoluments over £60,000.

The charity operates a pension scheme for its employees.

# GFA WORLD

(A COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2018

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### 14 OPERATING LEASE COMMITMENTS

At 31st March 2018, the charity had total commitments under non-cancellable operating leases on land and buildings as follows:

	2018 £	2017 £
Operating leases which expire:		
Within one year	4,630	8,183
Between two and five years	-	-
In over five years	-	-
	<hr/>	<hr/>
	4,630	8,183
	<hr/>	<hr/>

### 15 POST BALANCE SHEET EVENT

On 5th October 2018 £2,560,000 was transferred to charities having licence tenure which had approval of Believers Eastern Church. This charitable expenditure will be reflected in the financial statements for the year ended 31 March 2019 (further detail is given in Note 3 to the accounts).