

Charity Registration No. 1114638

Company Registration No. 05751702 (England and Wales)

MOODY BIBLE INSTITUTE OF THE UNITED KINGDOM
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

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MOODY BIBLE INSTITUTE OF THE UNITED KINGDOM

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	P H Johnson I Leitch K Heulitt P J Martin
Secretary	P J Martin
Charity number	1114638
Company number	05751702
Registered office	Tenison House 45 Tweedy Road Bromley Kent BR1 3NF
Accountants	Beavis Morgan LLP 82 St John Street London EC1M 4JN
Auditor	Beavis Morgan Audit Limited 82 St John Street London EC1M 4JN
Bankers	Cater Allen Private Bank 9 Nelson Street Bradford BD1 5AN
Solicitors	Wellers Law Group LLP Tenison House 45 Tweedy Road Bromley Kent BR1 3NF

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MOODY BIBLE INSTITUTE OF THE UNITED KINGDOM

TRUSTEE'S REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2017

The Trustees present their report and accounts for the year ended 31 March 2017.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the the Companies Act 2006 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)

Structure, governance and management

Governing document

Moody Bible Institute of the United Kingdom was incorporated and registered as a charitable company on 22nd March 2006 and is limited by guarantee. The governing document is the Memorandum and Articles of Association dated 22nd March 2006.

Method of appointment and making decisions

The first Trustees are entitled to hold office for an initial term of five years and can offer themselves for re-election at the expiration of the term. Future Trustees must be appointed by resolution of the existing Trustees.

Trustees' decisions must be passed by the majority of the Trustees. Each Trustee has one vote apart from the Chairman who has a casting vote.

Risk Management

During the year, the Trustees have reviewed the general environment in which the Company ('Charity') operates to identify any serious potential risks, and make arrangements to avoid such risks or mitigate their impact.

Organisational Structure

The Trustees are responsible for the administration and investment policy of the Company. The Trustees meet at least annually to review the records of the Institute and to assess the overall investment policy.

Objectives and activities

The Company's objectives are the advancement of the Evangelical Christian faith worldwide..In accordance with the doctrines set out in the Statement of Faith contained in the Articles of Association.

Achievements, performance and Plans for the Future

The Company commenced its activities following the transfer of funds from a trust called the Moody Bible Institute of the United Kingdom on 8th March 2007. The Trustees continue the work previously carried out by the trust.

Grants and scholarships are applied for to the board of Trustees and applications presented at their meetings. Decisions are then agreed upon, based on the merits of these applications, and the furtherance of the Company's objectives.

MOODY BIBLE INSTITUTE OF THE UNITED KINGDOM

TRUSTEE'S REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2017

Review of the activities undertaken by the Charity to further its charitable purposes for the public benefit

The Charity undertakes two main activities in furtherance of its charitable objectives. One of these is to support the work of evangelism within the United Kingdom, and the other relates to the sponsoring of students from the United Kingdom and overseas to study at the Moody Bible Institute of Chicago ("MBI").

During the year the Charity made grants to UK based evangelistic organisations in furtherance of its charitable objectives.

The Charity has received numerous letters of appreciation from students who have studied during this year and have benefited greatly from the sponsorship the Charity has provided.

Following a detailed evaluation of its work during 2010/2011. The Trustees concluded that the part of the Charity's work of sponsoring students to study at MBI could be more cost-effectively administered by setting up a formal scholarship scheme with MBI to award annual scholarships to students who are citizens and/or permanent residents of the UK, Europe, Asia, Africa or the British Commonwealth, and who exhibit financial need using normal metrics for international students studying at MBI.

The Charity therefore entered into an Agreement with MBI on the 29th day of December 2011, setting up the terms of the Scholarship Scheme, to be Known as The Bellchambers Scholarship, and arranging for a lump sum of £4,460,000 to be set aside and held by Moody Bible Institute of Chicago as restricted funds and to apply the same strictly for The Bellchambers Scholarship Scheme, to the intent that sum of US \$770,000 (2016:\$868,000) were awarded to 58 students in the year ended 31 March 2017. It is expected that there will be 30 scholarships awarded in the 2017/2018 academic year.

Funds transferred are held by MBI separately from its own unrestricted funds. The balance of funds transferred are returnable to Moody UK in the event of a default or in the event that The Bellchambers Scholarship Scheme is not working. Moody UK will continue to monitor the Scheme and receive detailed reports on the progress of the students so sponsored, and will have the appropriate supervisory input to ensure that the administration of the Scheme is fully in accordance with the charitable purposes of Moody UK.

The outcome from the evangelism work in the UK has benefited many people.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities.

Financial review

The movement of the Company's financial resources for the year to 31st March 2017 is shown in the Statement of Financial Activities on page 6. The highlights are:

- total net expenditure of £47,464 (including profit on sale of investments of £11,936);
- total expenditure of £139,023 (including direct charitable expenditure of £1,26,000);
- an increase in the market value of investments held of £63,270; and
- a general fund of £616,690 carried forward.

Reserves Policy

It is the policy of the Company that unrestricted funds, which have not been designated for a specific use. Should be maintained at a level equivalent to at least six months' expenditure. It is also the policy of the Company to invest surplus liquid funds in short-term -deposits which can be accessed readily.

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TRUSTEE'S REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2017

Trustees

The Trustees who served during the year, and since the year end, were as follows:

P H Johnson
I Leitch
K Heulitt
P J Martin

Trustees' responsibilities

The Trustees (who are also directors of Moody Bible Institute of the United Kingdom for the purposes of company law) 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).

Company law 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 Charitable Company and of its incoming resources and application of resources for that period. In preparing these financial statements the Trustees are required to:

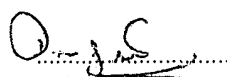
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any 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 charitable company will continue in business.

The Trustees 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. 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.

Statement of disclosure to auditors

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

The trustee's report was approved by the Board of Trustees.


P J Martin
Trustee
Dated: 31/3/17

MOODY BIBLE INSTITUTE OF THE UNITED KINGDOM

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MOODY BIBLE INSTITUTE OF THE UNITED KINGDOM

We have audited the accounts of Moody Bible Institute of the United Kingdom for the year ended 31 March 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102.

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditor

As explained more fully in the statement of trustee's responsibilities, the Trustees, who are also the directors of Moody Bible Institute of the United Kingdom for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

The Trustees have elected for the accounts to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the accounts 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 Ethical Standards for Auditors.

Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company'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 accounts. In addition, we read all the financial and non-financial information in the Trustee's Annual Report to identify material inconsistencies with the audited accounts and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on accounts.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

MOODY BIBLE INSTITUTE OF THE UNITED KINGDOM

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF MOODY BIBLE INSTITUTE OF THE UNITED KINGDOM

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the accounts are not in agreement with the accounting records and returns; or
- 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 accounts are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.



Richard Thacker (Senior Statutory Auditor)
for and on behalf of Beavis Morgan Audit Limited

22/12/17
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Chartered Accountants
Statutory Auditor

82 St John Street
London
EC1M 4JN

Beavis Morgan Audit Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

MOODY BIBLE INSTITUTE OF THE UNITED KINGDOM

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2017

	Notes	2017 £	2016 £
<u>Income resources:</u>			
Investment income	3	16,353	24,852
<u>Expenditure on:</u>			
Charitable expenditure	4	126,000	193,000
Management	6	5,823	6,922
Finance costs, interest payable and other charges	6	3,780	3,792
Governance costs	6	3,420	3,640
Total resources expended		139,023	212,354
 Net gains on investments		 75,206	 (29,513)
Net movement in funds		(47,464)	(217,015)
 Fund balances at 1 April 2016		 664,154	 881,169
Fund balances at 31 March 2017		616,690	664,154

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.

MOODY BIBLE INSTITUTE OF THE UNITED KINGDOM

BALANCE SHEET

AS AT 31 MARCH 2017

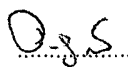
	Notes	2017 £	£	2016 £	£
Fixed assets					
Investments	7		504,466		614,097
Current assets					
Debtors	8	29,409		33,598	
Cash at bank and in hand		87,332		23,160	
		116,741		56,758	
Creditors: amounts falling due within one year	9	(4,517)		(6,701)	
Net current assets			112,224		50,057
Total assets less current liabilities			616,690		664,154
Income funds					
Unrestricted funds			616,690		664,154
			616,690		664,154

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 March 2017, although an audit has been carried out under section 144 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts under the requirements of the Companies Act 2006.

The trustee's responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing accounts 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 accounts, so far as applicable to the company.

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

The accounts were approved by the Trustees on 31/3/17


P J Martin
Trustee

Company Registration No. 05751702

MOODY BIBLE INSTITUTE OF THE UNITED KINGDOM

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

Charity information

Moody Bible Institute of the United Kingdom is a private company limited by guarantee incorporated in England and Wales. The registered office is Tenison House, 45 Tweedy Road, Bromley, Kent, BR1 3NF.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 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 charity is a Public Benefit Entity as defined by FRS 102. The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

The accounts 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 accounts, 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 accounts.

1.3 Incoming resources

Income is recognised in the year in which the company is entitled to receipt.

Dividend income is recognised when the securities concerned are quoted ex-dividend.

1.4 Resources expended

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. The Charitable Company is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT. Management and administration expenses comprise costs of running the Charitable Company itself as an organisation.

Grants and donations payable are included in the Statement of Financial Activities when approved by the Trustees and agreed with the receiving organisation or individual. The value of any such grants unpaid at the year-end is accrued. Grants where the beneficiary has not been informed or has to meet certain conditions before the grant is released are not accrued but are noted as financial commitments.

1.5 Investments

Investments are included at the year end market value. Gain or loss on the revaluation of the investments are included in charity's fund.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

MOODY BIBLE INSTITUTE OF THE UNITED KINGDOM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

1.7 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 Moody Biblecharity'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 debtors 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 creditors 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 creditors 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 creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.8 Unrestricted general funds

General funds are unrestricted fund which are available for use at the discretion of the Trustees in furtherance of the general charitable objectives of the Charitable Company and which have not been designated for other purpose.

1.9 Foreign currencies

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year-end. All differences are taken to the Statement of Financial Activities.

1.10 Taxation

The Charitable Company is a registered charity and is therefore exempt from taxation.

MOODY BIBLE INSTITUTE OF THE UNITED KINGDOM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

2 Critical accounting estimates and judgements

In the application of the Moody Bible Institute of the United Kingdom'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 Investment income

	2017	2016
	£	£
Dividends receivables	15,353	23,199
Interest receivable on stock	1,000	1,653
	<u>16,353</u>	<u>24,852</u>

4 Charitable expenditure

	2017	2016
	£	£
Grants payable in the furtherance of the Charitable Company's objectives - scholarships to individuals	<u>126,000</u>	<u>193,000</u>

The grants made in the year included the following which were made to the Moody Bible Institute USA (MBI):

	Year ended 31 March 2017		Year ended 31 March 2016	
	No.of		No.of	
	Scholarships	£	Scholarships	£
Scholarships to cover fees of students at the MBI	-	-	-	-

5 Trustees

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

£3,780 of expenses was paid for by 4 Trustees and reimbursed by the Charitable Company, (2016: £8,792 paid for by 4 Trustees and reimbursed by the Charitable Company).

There were no employees during the year.

MOODY BIBLE INSTITUTE OF THE UNITED KINGDOM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

6 Analysis of resources expended

	2017	2016
	£	£
Audit fee	2,500	2,500
Accountancy fee	920	1,140
Expenses of trustee meeting	3,780	8,792
Investment fund management charges	5,823	6,922
	<u>13,023</u>	<u>19,354</u>

7 Fixed asset investments

	Equities	Unit trusts	Investment trusts	Fixed interest securities	2017 Total	2016 Total
	£	£	£	£	£	£
Cost or valuation						
At 31 March 2016	261,365	259,423	15,000	78,309	614,097	768,327
Additions	21,487	69,570	-	-	91,057	39,200
Increase in market value of investments	37,600	24,076	-	1,594	63,270	(25,487)
Disposals	(87,474)	(138,323)	(15,000)	(23,161)	(263,958)	(167,943)
At 31 March 2017	<u>232,978</u>	<u>214,746</u>	<u>-</u>	<u>56,742</u>	<u>504,466</u>	<u>614,097</u>

Investments represent primarily equity and fixed interest investments listed on the UK stock exchange. The investments are held primarily to provide the charitable company with an investment return. The historical cost of investment assets is £370,780 (2016 - £511,257).

MOODY BIBLE INSTITUTE OF THE UNITED KINGDOM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

8 Debtors

	2017	2016
	£	£
Amounts falling due after more than one year:		
Cash held by investment manager	29,409	30,833
Accrued income	-	2,765
	<u>29,409</u>	<u>33,598</u>

9 Creditors: amounts falling due within one year

	2017	2016
	£	£
Accruals	<u>4,517</u>	<u>6,701</u>

10 Share capital

The Charitable Company is limited by guarantee and has no share capital. Every member of the Charitable Company guarantees to contribute a maximum of £1 on winding up, within one year after ceasing to be a member.

11 Related party transactions

No Trustee had any personal interest in any contract or transaction entered into by the charity during the year.

12 Ultimate controlling party

The ultimate controlling party is considered to be the Trustees as a body.