



**Elim Pentecostal Church**  
Elim Foursquare Gospel Alliance

## **EPC SERVICES LIMITED**

### **FINANCIAL STATEMENTS** **For the 15 month period** **ended 30 September 2004**



**Company Number 03365059**

EPC SERVICES LIMITED

FINANCIAL STATEMENTS FOR THE 15 MONTH PERIOD ENDED 30 SEPTEMBER 2004

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EPC SERVICES LIMITED

FINANCIAL STATEMENTS FOR THE 15 MONTH PERIOD ENDED 30 SEPTEMBER 2004

LEGAL AND ADMINISTRATIVE DETAILS

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<b>Company registration number</b>	03365059
<b>Principal address</b>	115 St Georges Rd Cheltenham Gloucestershire GL50 3ED
<b>Directors</b>	Rev G J Feasey Rev J J Glass Rev R Millar Rev A Taylor
<b>Secretary</b>	Rev B Hunter
<b>Bankers:</b>	National Westminster Bank plc 31 Promenade Cheltenham Gloucestershire GL50 1LH
<b>Solicitors:</b>	Rickerby's Ellenborough House Wellington Street Cheltenham Gloucestershire GL50 1YD
<b>Auditors:</b>	Grant Thornton UK LLP Registered Auditors Chartered Accountants The Quadrangle Imperial Square Cheltenham Gloucestershire GL50 1PZ

## EPC SERVICES LIMITED

### FINANCIAL STATEMENTS FOR THE 15 MONTH PERIOD ENDED 30 SEPTEMBER 2004

#### REPORT OF THE DIRECTORS

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The Directors present their report together with the financial statements for the 15 month period ended 30 September 2004.

#### **Principal Activities**

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

#### **Business Review**

The Operating Profit for the period amounted to £55,996 (2003 : loss of £15,358). This performance arose due to additional insurance commission accruing as a result of the change in the date for the financial period-end. Also, following last year's deficit, disciplines were introduced which maintained Conference costs within income levels. As advised last year the company has serviced the loan from the parent charity, Elim Foursquare Gospel Alliance, and the balance has reduced to £41,962 (2003: £47,480). As a result of the profit generated this period the company was pleased to also be able to make a charitable donation to Elim.

We have continued to enjoy good relations with Congregational & General the main insurance providers for Elim, but due to changes in legislation, all non-Elim business has been transferred to external agencies. The central agency has been cancelled and the company's involvement is now to manage the internal administration of Elim's insurance records. The implications of this statutorily-driven change will require a review of the company's business activities.

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

#### **Directors**

The present membership of the Board is set out below. All directors served throughout the period.

No director nor their families had an interest in the shares of the company or its parent undertaking at 1 July 2003 or 30 September 2004.

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 period which give a true and fair view of the state of affairs of the company and of the profit or 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.

EPC SERVICES LIMITED

FINANCIAL STATEMENTS FOR THE 15 MONTH PERIOD ENDED 30 SEPTEMBER 2004

REPORT OF THE DIRECTORS

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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.

**Charitable contributions**

Donations to charitable organisations amounted to £ 40,219 (2003 : NIL)

**Auditors**

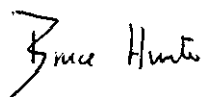
On 1 July 2004, the Grant Thornton partnership transferred its business to a limited liability partnership, Grant Thornton UK LLP. Under section 26(5) of the Companies Act 1989, the directors consented to extend the audit appointment to Grant Thornton UK LLP from 1 July 2004.

A resolution to re-appoint Grant Thornton UK LLP as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

**Small Company Exemption**

This report has been prepared in accordance with the special provision of Part VII of the Companies Act 1985 relating to small companies.

BY ORDER OF THE BOARD



BRUCE HUNTER  
Secretary

Date 27/07/2005

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF

### EPC SERVICES LIMITED

We have audited the financial statements of EPC Services Limited for the 15 month period ended 30 September 2004 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.

#### Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 September 2004 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

  
**GRANT THORNTON UK LLP**  
**REGISTERED AUDITORS**  
**CHARTERED ACCOUNTANTS**  
**CHELTENHAM**

Date 27 July 2005

EPC SERVICES LIMITED

FINANCIAL STATEMENTS FOR THE 15 MONTH PERIOD ENDED 30 SEPTEMBER 2004

PRINCIPAL ACCOUNTING POLICIES

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**BASIS OF PREPARATION**

The financial statements have been under the historical cost convention and on a going concern basis (see note 12).

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.

**EPC SERVICES LIMITED**

**PROFIT AND LOSS ACCOUNT**

**for the 15 months ended 30 September 2004**

	Note	2004 £	2003 £
<b>Turnover</b>	1	288,035	252,523
Cost of sales		(171,971)	(211,456)
<b>Gross profit</b>		<b>116,064</b>	<b>41,067</b>
Administrative expenses		(67,779)	(61,125)
Other operating income	1	7,711	4,700
<b>Operating Profit</b>		<b>55,996</b>	<b>(15,358)</b>
Charitable Donation		(40,219)	-
<b>Profit / (Loss) on ordinary activities before taxation</b>	1	<b>15,777</b>	<b>(15,358)</b>
Tax on profit / (loss) from ordinary activities	3	-	-
<b>Profit / (Loss) transferred to Reserves</b>		<b>15,777</b>	<b>(15,358)</b>

**STATEMENT OF RESERVES**

	2004 £	2,003 £
At 1 July 2003	(7,544)	7,814
Retained profit / (loss) for the period	15,777	(15,358)
At 30 September 2004	<b>8,233</b>	<b>(7,544)</b>

There were no recognised gains or losses other than the results for the period as set out above.

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



**EPC SERVICES LIMITED**

**BALANCE SHEET AT 30 September 2004**

	Note	2004 £	2003 £
<b>Current Assets</b>			
Debtors	4	240,561	41,763
Cash at bank and in hand		106,771	7,040
		<u>347,332</u>	<u>48,803</u>
<b>Creditors: amounts falling due within one year</b>	5	<u>339,098</u>	<u>(56,347)</u>
<b>Net current (liabilities)/assets</b>		<u>8,234</u>	<u>(7,543)</u>
<b>Total assets less current liabilities</b>		<u><u>8,234</u></u>	<u><u>(7,543)</u></u>
<b>Capital and reserves</b>			
Called up share capital	6	1	1
Profit and loss account		8,233	(7,544)
<b>Equity shareholders' funds</b>	7	<u><u>8,234</u></u>	<u><u>(7,543)</u></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 27 July 2005.

  
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 15 months ended 30 September 2004****1 TURNOVER AND PROFIT OR LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION**

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

	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
The profit on ordinary activities is stated after:		
Auditors' remuneration	3,250	3,050
Depreciation and amortisation:		
Tangible fixed assets owned	-	-
Other operating income - offerings	<u>7,711</u>	<u>4,700</u>

**2 DIRECTORS AND EMPLOYEES**

	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
Staff costs during the year were as follows:		
Wages and salaries	42,176	34,244
Social security costs	4,073	3,017
	<u>46,249</u>	<u>37,261</u>

The average number of employees of the company during the period was 2 (2003: 2), all of whom were in administration.

No director received any remuneration during the year.

**3 TAX ON PROFIT OR LOSS ON ORDINARY ACTIVITIES**

	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
The tax (credit)/charge represents:		
Adjustment in respect of prior period	-	-
Total current tax and tax on profit or loss on ordinary activities	<u>-</u>	<u>-</u>

**EPC SERVICES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**for the 15 months ended 30 September 2004**

**3 TAX ON PROFIT OR LOSS ON ORDINARY ACTIVITIES (Continued)**

The tax assessed for the period is lower than the standard rate of corporation tax in the UK of 19%.  
The differences are explained as follows:

	2004 £	2003 £
Profit / (Loss) on ordinary activities before tax	<u>15,777</u>	<u>(15,358)</u>
Profit / (Loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2003: 20%).	2,998	(3,072)
Effect of:		
Expenses not deductible for tax purposes	-	250
Capital allowances in excess of depreciation	(148)	(176)
Utilisation of tax losses	(2,850)	-
Tax losses carried forward	-	2,998
	<u>-</u>	<u>-</u>
Total current tax	<u>-</u>	<u>-</u>

**4 DEBTORS**

	2004 £	2003 £
Trade debtors	240,561	41,763
	<u>240,561</u>	<u>41,763</u>

**5 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2004 £	2003 £
Trade creditors	253,485	-
Amounts due to group undertakings	41,962	47,480
Charity donation	40,219	-
Social security and other taxes	182	2,367
Accruals	3,250	6,500
	<u>339,098</u>	<u>56,347</u>

**6 SHARE CAPITAL**

	2004 £	2003 £
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 15 months ended 30 September 2004**

**7 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
Profit / (Loss) for the financial period	15,777	(15,358)
Net movement in shareholders' funds	<u>15,777</u>	<u>(15,358)</u>
Shareholders' funds at 1 July 2003	(7,544)	7,814
Shareholders' funds at 30 September 2004	<u><b>8,233</b></u>	<u><b>(7,544)</b></u>

**8 CAPITAL COMMITMENTS**

The company had no capital commitments at 30 September 2004 or 30 June 2003.

**9 CONTINGENT LIABILITIES**

The company had no contingent liabilities at 30 September 2004 or 30 June 2003.

**10 TRANSACTIONS WITH RELATED PARTIES**

During the period Elim Foursquare Gospel Alliance, the parent undertaking, paid expenses on behalf of the company. At the period-end the company owed Elim Foursquare Gospel Alliance £41,962 (2003: £47,840). This balance is scheduled for repayment over five years from 1 July 2003.

**11 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.

**12 GOING CONCERN**

The financial statements have been prepared on a going concern basis.

The directors consider that the support received from Elim Foursquare Gospel Alliance will enable the company to pay its debts as they fall due.