



Elim Pentecostal Church
Elim Foursquare Gospel Alliance

EPC SERVICES LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2003



Company Number 3365059

EPC SERVICES LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2003

INDEX	PAGE
Legal and Administrative Details	1
Report of Directors	2 - 3
Report of the Auditors	4
Accounting Policies	5
Profit and Loss Account	6
Balance Sheet	7
Notes to the Financial Statements	8 -11

EPC SERVICES LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2003

LEGAL AND ADMINISTRATIVE DETAILS

Company registration number	03365059
Principal address	115 St Georges Rd Cheltenham Gloucestershire GL50 3ED
Directors	Rev G J Feasey Rev J J Glass Rev R Millar Rev A Taylor
Secretary	Rev B Hunter
Bankers:	National Westminster Bank plc 31 Promenade Cheltenham Gloucestershire GL50 1LH
Solicitors:	Rickerby's 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 2003

REPORT OF THE DIRECTORS

The Directors present their report together with the financial statements for the year ended 30 June 2003.

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 prior to taxation amounted to £15,358 (2002 : £2,729). The main impact on this year's performance was the increased costs in the operation of the Annual Bible Week. Action has already been taken to improve the situation in the next financial year. During the year the debt due from Direction Resources has been repaid on the winding up of their activities. The monies due to the parent body are now being structured as a loan repayable over 5 years. The insurance activity has performed well this year. We have continued to enjoy good working relationship with Congregational & General our main insurance providers, and will be seeking, in co-operation with them, to develop new ideas for business expansion.

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

No director nor their families had an interest in the shares of the company or its parent undertaking at 1 July 2002 or 30 June 2003. Rev B G Edwards served as a director during the year but resigned on 8 July 2003

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 2003

REPORT OF THE DIRECTORS

Charitable contributions

Donations to charitable organisations amounted to £ nil (2002 : £12,050)

Auditors

Grant Thornton offer themselves for reappointment as auditors 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

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 2003 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 June 2003 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

**GRANT THORNTON
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS**



CHELTENHAM 11 November 2003
Date

EPC SERVICES LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2003

PRINCIPAL ACCOUNTING POLICIES

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 year ended 30 June 2003

	Note	2003 £	2002 £
Turnover	1	252,523	229,761
Cost of sales		(211,457)	(159,332)
Gross profit		41,067	70,429
Administrative expenses		(61,125)	(86,141)
Other operating income	1	4,700	11,552
Loss on ordinary activities before taxation	1	(15,358)	(4,160)
Tax on loss from ordinary activities	3	0	1,431
Loss transferred from reserves		(15,358)	(2,729)

STATEMENT OF RESERVES

	2003 £	2002 £
At 1 July 2002	7,814	10,543
Retained loss for the year	(15,358)	(2,729)
At 30 June 2003	(7,544)	7,814

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

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

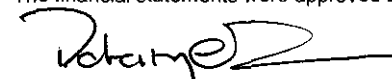
EPC SERVICES LIMITED

BALANCE SHEET AT 30 JUNE 2003

	Note	2003 £	2002 £
Current Assets			
Debtors	4	41,763	35,813
Cash at bank and in hand		7,040	40,345
		<u>48,803</u>	<u>76,158</u>
Creditors: amounts falling due within one year	5	(56,347)	(68,343)
		<u>(7,543)</u>	<u>7,815</u>
Net current (liabilities)/assets			
		<u>(7,543)</u>	<u>7,815</u>
Total assets less current liabilities		<u>(7,543)</u>	<u>7,815</u>
Capital and reserves			
Called up share capital	6	1	1
Profit and loss account		(7,544)	7,814
		<u>(7,543)</u>	<u>7,815</u>
Equity shareholders' funds	7	<u>(7,543)</u>	<u>7,815</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 11 November 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 2003****1 TURNOVER AND LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION**

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

	2003	2002
	£	£
The loss on ordinary activities is stated after:		
Auditors' remuneration	3,050	3,500
Depreciation and amortisation:		
Tangible fixed assets owned	-	751
Other operating income - offerings	<u>4,700</u>	<u>11,552</u>

2 DIRECTORS AND EMPLOYEES

	2003	2002
	£	£
Staff costs during the year were as follows:		
Wages and salaries	34,244	35,011
Social security costs	3,017	3,075
	<u>37,261</u>	<u>38,086</u>

The average number of employees of the company during the year was 2 (2002: 2) all of whom were in administration.

No director received any remuneration during the year.

3 TAX ON LOSS ON ORDINARY ACTIVITIES

	2003	2002
	£	£
The tax (credit)/charge represents:		
Adjustment in respect of prior period	-	(1,431)
Total current tax and tax on loss on ordinary activities	<u>-</u>	<u>(1,431)</u>

EPC SERVICES LIMITED**NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 30 June 2003

3 TAX ON LOSS ON ORDINARY ACTIVITIES (Continued)

The tax assessed for the period is lower than the standard rate of corporation tax in the UK of 20% (2002: 10%).
The differences are explained as follows:

	2003 £	2002 £
Loss on ordinary activities before tax	<u>(15,358)</u>	<u>(4,160)</u>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2002: 10%)	(3,072)	(832)
Effect of:		
Expenses not deductible for tax purposes	-	921
Depreciation in excess of capital allowances	-	(89)
Utilisation of tax losses	-	-
Adjustment in respect of prior period	-	(1,431)
Total current tax	<u>(3,072)</u>	<u>(1,431)</u>

4 DEBTORS

	2003 £	2002 £
Trade debtors	41,763	25,813
Amount owed by group undertakings	-	10,000
	<u>41,763</u>	<u>35,813</u>

5 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2003 £	2002 £
Trade creditors	-	2,617
Amounts due to group undertakings	47,480	41,962
Corporation tax	-	-
Social security and other taxes	2,366	6,869
Accruals	6,500	15,550
Deferred income	-	1,345
	<u>56,347</u>	<u>68,343</u>

6 SHARE CAPITAL

	2003 £	2002 £
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 2003

7 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2003	2002
	£	£
(Loss)/profit for the financial year	(15,358)	(2,729)
Net movement in shareholders' funds	<u>(15,358)</u>	<u>(2,729)</u>
Shareholders' funds at 1 July 2002	7,815	10,544
Shareholders' funds at 30 June 2003	<u>(7,543)</u>	<u>7,815</u>

8 CAPITAL COMMITMENTS

The company had no capital commitments at 30 June 2003 or 30 June 2002

9 CONTINGENT LIABILITIES

The company had no contingent liabilities at 30 June 2003 or 30 June 2002

10 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 £47,480 (2002: £41,962). This balance is scheduled for repayment over five years from 1 July 2003.

At the year end the company was owed £ nil (2002: £10,867) by Direction Resources Limited a fellow subsidiary undertaking.

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

Despite net current liabilities of £7,543 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.