

THE NAVIGATORS UK LIMITED

A Company Limited by Guarantee

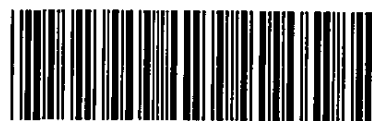
Company no. 4429021

**Registered Charity Number 1099148
Charity Registered in Scotland SC038484**

ANNUAL REPORT AND ACCOUNTS

31 August 2011

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THE NAVIGATORS UK LIMITED

ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2011

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2011

1. Trustees	P L Butler K Glazebrook (to April 2011) M Clark J L M Douglas J C Appleton R Cooper G Howard S Peters (from November 2010) S Mulholland (from April 2011) L de Caestecker (from July 2011)
Registered Office	Turner House 54 The Avenue Southampton SO17 1XQ
Bankers	NatWest plc 64 High Street New Malden Surrey KT3 4HB
Solicitors	Anthony Collins Solicitors LLP 134 Edmund Street Birmingham B3 2ES
Auditor	Burton Sweet Pembroke House 15 Pembroke Road Clifton Bristol BS8 3BA
Company Number	4429021
Registered Charity Number	1099148
Charity Registered in Scotland	SC038484

The Trustees present their annual report and the audited financial statements for the year ended 31 August 2011. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005 in preparing the annual report and financial statements of the Charity.

2. STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity was established as an unincorporated association governed by a Constitution on 15 June 1955. On 1 May 2002, The Navigators UK Limited was incorporated as a Company Limited by Guarantee and governed by the Memorandum and Articles of Association. The Company remained dormant until 27 August 2003, when it was registered as a charity. The assets and activities of the unincorporated charity were transferred to the Company on 1st September 2004. In the event of the Company being wound up, the members are liable to contribute such an amount as may be required (not exceeding £10 00) in respect of the guarantee. The Charity was registered in Scotland in July 2007.

Responsibility for the governance of the Charity lies with the Board of Trustees. The Board has established a Finance Committee comprising four Board members with responsibility for budget setting, monitoring of financial out-turns and the overview of the year-end accounts and audit exercise.

Trustees are appointed by the Board after prayerful consideration of candidates, the needs of the Charity and the potential contribution of new Trustees. When new Trustees are being sought, Board members and representatives are invited to suggest individual names and the Board decides who to approach and invite to consider becoming a Trustee. If the individual is willing to be a Trustee they are elected by the Board and the Chairman formally invites the elected Trustee to join the Board. Letters of Eligibility and Conflict of Interest are signed and all new Trustees are invited to an induction meeting prior to their first Board meeting. New Trustees are encouraged to attend seminars which provide training and all Trustees are encouraged to attend the representatives' annual conference.

Operational responsibility for the ministry of the Charity is entrusted to the Country Leader. Following a careful and wide-ranging review, the Navigators UK now operates on a regional basis to better meet the ministry challenges and opportunities that have been identified.

The Navigators are an international movement, with each country relating to the international office in Colorado Springs, USA. In recent years the calling, core values and vision have been reviewed for the whole of the international Navigator ministry and the UK leadership have developed this to apply to the ministry in the UK.

The Trustees will continue to identify the major risks to which the organisation is exposed. Internal risks are minimised by the implementation of effective internal control procedures that ensure both appropriate authorisation of all transactions and projects and consistent quality of delivery for all operational aspects of the Charity. These procedures are reviewed annually to ensure their continuing effectiveness.

3. OBJECTIVES AND ACTIVITIES

We have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

The main objective of the Charity is the advancement of Christian religion in the UK and overseas through evangelism, teaching, mentoring, training and the production and distribution of materials and by such other means being charitable as the organisation shall.

determine The calling to achieve the above is to advance the gospel of Jesus and his kingdom into the nations through spiritual generations of labourers living and discipling among the lost Core values and vision have been identified and the strategy for ministry is based on the development of these areas

The new regional structure outlined in last year's report was implemented from September 2010 The four couples who have taken up leadership of the established regions have taken over as the National Leadership Team (NLT) This team has met formally on four occasions during the year As part of the plan to develop this new generation of national leaders, they were visited regularly by the Country Leader and his wife for coaching and consultancy Three of the men plus one other representative were also able to visit Holland to attend a Navigator European leadership development forum in December 2010 This team has been developing a longer term strategic plan for the development of the UK work

The care of overseas missionaries continued under the Missions Co-ordinator assisted on a part-time basis by two other representatives They managed the transition back into the UK of two couples as well as arranging visits to some of those currently overseas They also undertook oversight of short-term overseas programmes in the summer

The new Leader Development and Support Team met several times under the leadership of the Country Leader They developed a comprehensive leader development framework for their mentoring and coaching roles which was reviewed and affirmed by the NLT They also advised on various issues relating to the care and development of representatives

A newly formed Management and Development Team met once during the year and initiated a number of important support projects the design of support literature for representatives to use in fundraising, the development of a manual for conference organisers, and the revision of the resource manual for representatives

Three representatives fulfilled part-time roles with a missionary training college, with one couple designing and delivering new courses on leadership, evangelism, discipleship and professionals in mission

4. ACHIEVEMENT AND PERFORMANCE

Four new representatives were appointed, three working with students in the UK and one joining a church-planting team in France One representative resigned to work full-time in social work

11 new graduates enrolled on our one-year Connect programme and three of last year's intake stayed on for a second year of training and development

A representative couple returned from working in Tanzania and expect to take up a new role from September 2011 after a period of sabbatical

Representatives ministered to university students in nine cities, with a specific focus on international students in some of these and in two further cities In some locations separate groups were established for recent graduates who had continued to live in their university city, in particular helping them to adjust to working life

A national weekend conference in February 2011 attracted 150 students or recent graduates In addition, one region ran a successful weekend conference for around 30 alumni still living in the region

A second five-day residential School of Disciplemaking was organised in Scotland, in partnership with the European Leadership Forum, and was attended by around 65 students and young graduates

LIFEnet continued to explore ways of serving Navigator alumni. Second half living groups focusing on the 50+ age group continued in two locations

Links have been established with a number of churches to assist them in disciple-making. Many representatives continued to make specific contributions within local churches in line with the Navigator calling, including leading services, preaching, teaching, providing seminars, leading small groups, and organising Mum and Toddler groups

In October 2010, three Navigator representatives were invited to attend the Third Lausanne Congress on World Evangelization in Cape Town, joining with Navigator representatives from other countries in leading many of the small discussion groups that formed an important basis to this conference

Five representatives participated in the European Leadership Forum in Hungary, where the Navigators were once again invited to provide training in disciple-making for church workers from across the continent

Short-term mission trips were organised to Latvia, Poland, Tanzania, Ethiopia and Uganda, ministering both practically and spiritually

Leadership development and training was provided for representatives in a number of ways

- Fourteen recent representatives completed year 2 of the Foundations for Ministry programme consisting of five weekend residentials and on-line learning
- A weekend forum providing training for those working with university students was held in September 2010
- There were two training days specifically for women representatives
- A two-day seminar on fundraising was organised to develop those who could coach representatives in raising their personal support

In terms of its links to the wider international Navigator movement, the UK Country Leader attended four meetings as a member of the Navigator European Team that co-ordinates and aligns the Navigator work in Europe. He also spoke at a conference for European student leaders and attended a forum with country leaders from countries in the north-west of Europe. He and his wife also undertook a two-week trip to the USA to interact with the International Executive Team and key leaders of the Navigator work in the USA

5. FINANCIAL REVIEW

The balance sheet shows an increase in net total assets of £13,885 during 2010/11. The total in unrestricted funds increased by £32,898. There are no funds in deficit in the accounts.

Income

Voluntary donations increased by £39,705 (3.5%) compared with last year, whereas gift aid received decreased by £12,723 (6%). This was partly due to an increase in donations made through alternative tax-efficient routes. Most of our voluntary income is restricted by the donors to support the ministries of particular Navigator representatives or projects. A 7% administration charge is levied on restricted gifts to help fund the national office.

There was increased income in 2010/11 from charitable activities despite there being no national conference for representatives this year. This was the result of a successful new weekend conference for students and recent graduates, increased numbers of representatives undertaking the Foundations for Ministry programme, and increased attendances at the Scottish School of Disciplemaking and Student Forum conferences.

Income from investment fell in 2010/11 as a result of decreased interest rates.

Expenditure

The implementation of the new regional structure involved the disbanding of the streams and the setting up of a number of new restricted funds for various ministries and projects. Expenditure from both restricted and unrestricted funds has been divided into categories that reflect the main focuses of the Charity's activities: payments to beneficiaries, national and regional initiatives, training and development, events, and international missions. Expenditure in 2009/10 has been recast to provide appropriate comparative figures.

The bulk of our expenditure continues to be payments made to support the ministries of self-employed Navigator representatives working in the UK and abroad. Grants of £13,895 were made from the Robinson Africa Fund legacy to projects in Africa.

Unrestricted gifts to the General Fund were used to provide subsidies to cover the net expenditure on various restricted funds, to fund governance expenditure, and to meet the costs of ministries and projects not covered by restricted funds.

The operating costs of the national office fell by £15,943 compared with last year as a result of a decrease in staff numbers and tight cost control.

The cost of sales resulting from the production and sale of ministry materials were met by a transfer from the designated Stock Reserves Fund.

Expenditure on international missions increased in 2010/11 due to funding visits to representatives based in Africa and Canada as well as health checks for returning missionaries.

General fund policy

Unrestricted funds are held in the General Fund to meet the costs of future ministries and projects and to underwrite current activities. The level of funds held is regularly reviewed and is taken into account during the annual budget setting process.

Investment policy

Investments are maintained in a low-risk liquid position with competitive interest. Funds are currently held in three charity bonds ranging in duration from 6 to 24 months and in a bank deposit account. The amount invested in bonds and the interest rates earned are regularly reviewed by the Finance Committee of the Board.

Reserve policy

The reserve policy is reviewed annually. In addition to a cash reserve of £104,572, including interest in the year of £1,515, which is held in a restricted fund, unrestricted funds held in the General Fund are set aside to fully cover the following purposes:

- To give 1 to 2 months' cover in the event of a sudden and catastrophic fall in donations of 50%
- To cover an overwhelming demand on the Benevolent Fund
- To wind up the Charity

6. PLANS FOR THE FUTURE

Five broad areas of strategy have now been agreed with the NLT for the period 2010–2014. Progress is underway in all these areas and there are specific action points going forward.

- To manage the transition of the UK work to the next generation of leaders
- To expand and develop the work in the UK
- To develop the infrastructure of the Navigator organisation in the UK in a sustainable and efficient way
- To increase our contribution to the wider Body of Christ in the UK
- For the UK Navigators to play their full part as a Partnering Country in the Worldwide Navigator Partnership

In addition to on-going ministry with individuals and groups, specific activities for this year include:

- A weekend forum for those working with students in September 2011
- The third year of the Foundations for Ministry programme now serving 15 recent representatives, starting in October 2011
- A two-day training session on fundraising for around 25 representatives in October 2011
- A weekend national conference for students in March 2011, in partnership with L'Abri UK
- Regional Day Conferences for Navigator alumni and interested friends scheduled for the West Midlands (Nov 2011) and the South East (April 2012)
- A national conference for all representatives in May 2012
- A third Scottish School of Disciplemaking in June 2012

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of The Navigators (UK) Limited 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 that give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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,
- make judgements and 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,
- 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 proper 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 and the Charities and Trustee Investment (Scotland) Act 2005. 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.

In so far as the Trustees are aware, there is no relevant audit information of which the charitable company's auditors are unaware, and the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This report has been prepared in accordance with the Special Provisions for Small Companies under Section 419 (3) of the Companies Act 2006.

Signed on behalf of the Board of Trustees



P L Butter – Chair

Date 14.11.11

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NAVIGATORS UK LIMITED 8

We have audited the financial statements of The Navigators UK Limited for the year ended 31 August 2011 which comprise the Statement of Financial Activities, the Balance Sheet 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).

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, section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. 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 trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the regulations under those Acts.

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 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 financial statements.

In addition, we read all the financial and non-financial information in the Board Report to identify 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.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2011 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matter 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

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We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) 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,
- 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

Burton Sweet

Edward Marsh BSc (Hons) ACA DChA
Senior Statutory Auditor
For and on behalf of Burton Sweet Chartered Accountants, Statutory Auditor

Pembroke House
15 Pembroke Road
Clifton
Bristol BS8 3BA

Date

8th December 2011

Burton Sweet is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2011 (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

	Note	Unrestricted funds £	Restricted funds £	2011 Total £	2010 Total Restated £
INCOMING RESOURCES					
<i>Incoming resources from generated funds</i>					
Voluntary income	1	70,081	1,288,404	1,358,485	1,332,003
Activities for generating funds Trading income		4,148	-	4,148	3,394
Activities for generating funds Rental income		2,856	-	2,856	2,856
Administration contributions		10,256	-	10,256	11,536
Investment income		3,398	6,174	9,572	12,825
<i>Incoming resources from charitable activities</i>	2	-	25,332	25,332	20,834
<i>Other incoming resources</i>		-	1,000	1,000	4,070
TOTAL INCOMING RESOURCES		90,739	1,320,910	1,411,649	1,367,518
LESS COST OF GENERATING FUNDS					
Trading costs	3	9,030	-	9,030	5,426
Publicity/fundraising		4,938	-	4,938	4,228
Supporter education	4	2,417	-	2,417	2,815
TOTAL COSTS OF GENERATING FUNDS		16,385	-	16,385	12,469
NET INCOMING RESOURCES AVAILABLE FOR CHARITABLE ACTIVITIES		74,354	1,320,910	1,395,264	1,375,049
EXPENDITURE ON CHARITABLE ACTIVITIES					
	4,5,6,7				
Payments to beneficiaries		60,899	1,210,042	1,270,941	1,278,698
National and regional initiatives		33,580	3,081	36,641	42,060
Training and development		11,120	9,025	20,145	36,753
Events		7,873	28,575	36,448	16,211
International Missions		967	6,489	7,456	2,259
PROPERTY REPAIRS AND RENEWALS		1,614	-	1,614	-
GOVERNANCE COSTS	8	8,134	-	8,134	6,544
TOTAL RESOURCES EXPENDED		124,187	1,257,192	1,381,379	1,382,525
Net incoming/outgoing resources (net income/expenditure before transfers)	9	(49,833)	63,718	13,885	(7,476)
Gross transfers between funds	10	82,731	(82,731)	-	-
NET MOVEMENT IN FUNDS		32,898	(19,013)	13,885	(7,476)
Balance brought forward		302,401	458,052	760,453	767,929
Balance carried forward		335,299	439,039	774,338	760,453

The charity has no other recognised gains or losses other than the results for the year set out above
All of the activities of the charity are classed as continuing

BALANCE SHEET AS AT 31 AUGUST 2011

	Note	2011		2010 Restated	
		£	£	£	£
TANGIBLE FIXED ASSETS	12		150,298		151,441
CURRENT ASSETS					
Stock of literature at cost		5,844		8,964	
Prepayments and debtors	13	40,821		60,434	
Charity bonds		500,000		500,000	
Bank balances		84,313		48,254	
		<u>630,978</u>		<u>615,652</u>	
CURRENT LIABILITIES					
Creditors, accrued charges and amounts received in advance	14	6,938		6,640	
		<u>6,938</u>		<u>6,640</u>	
NET CURRENT ASSETS			624,040		609,012
TOTAL NET ASSETS			<u>774,338</u>		<u>760,453</u>
STATEMENT OF FUNDS					
Restricted funds	15		439,039		458,052
Unrestricted funds					
General Fund	16	332,685		293,657	
Designated funds	17	2,614		8,744	
			<u>335,299</u>		<u>302,401</u>
TOTAL FUNDS	18		<u>774,338</u>		<u>760,453</u>

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities

Approved by the Trustees on 14th November 2011 and signed on their behalf by

Jean L M Douglas

Jean L M Douglas - Trustee

ACCOUNTING POLICIES FOR THE YEAR ENDED 31 AUGUST 2011

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

a. Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and the Statement of Recommended Practice: Accounting and Reporting by Charities issued in March 2005.

b. Fund accounting

- Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.
- Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.
- Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

c. Incoming resources

All incoming resources are included in the statement of financial activities when the Charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of donations and gifts and is included in full in the statement of financial activities when receivable, including the related tax recoverable under the Gift Aid scheme.
- Donated assets, services and facilities are included at the value to the Charity where this can be quantified. The value of services provided by volunteers has not been included in these financial statements.
- Investment income is included when receivable.
- Incoming resources from Charity trading activity are accounted for when earned.

d. Resources expended

Expenditure is recognised on an accrual basis, as a liability is incurred. Expenditure includes VAT, which cannot be recovered and is reported as part of the expenditure to which it relates.

- In 2010/2011 the presentation of charitable expenditure in respect of central support costs has changed. For the current year, all payments related to central support costs from unrestricted funds have been recorded as direct payments rather than transfers to restricted funds, with a consequential reversal of the gross transfers between funds compared with previous years. Prior year figures have been restated to present a consistent comparative. Other minor comparative adjustments have also been made.
- Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.
- Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the Charity.
- All costs are allocated between the expenditure categories of the statement of financial activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, while others are apportioned according to the use of time.

e. Tangible fixed assets

Assets costing more than £1,000 are capitalised. Depreciation is provided at the following annual rates in order to write off the cost of each asset over its estimated useful life:

- Office and computer equipment - 12.5% or 25% p.a. straight line

Freehold property is stated at cost. No provision for depreciation has been made as it is the view of the Trustees that the estimated residual value of the property (based on prices at the time of acquisition) is not materially different to the carrying value.

f. Stock

Stocks are stated at the lower of cost and net realisable value. Provision is made for slow-moving stock when appropriate.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2011

1 VOLUNTARY INCOME

	<u>Unrestricted</u>	<u>Restricted</u>	<u>2011</u>	<u>2010</u>
	<u>£</u>	<u>£</u>	<u>Total</u>	<u>Total</u>
			<u>£</u>	<u>£</u>
Donations	58,941	1,092,244	1,151,185	1,111,480
Tax refunds	11,140	196,160	207,300	220,023
Legacies	-	-	-	500
	<u>70,081</u>	<u>1,288,404</u>	<u>1,358,485</u>	<u>1,332,003</u>

2 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	<u>Unrestricted</u>	<u>Restricted</u>	<u>2011</u>	<u>2010</u>
	<u>£</u>	<u>£</u>	<u>Total</u>	<u>Total</u>
			<u>£</u>	<u>Restated</u>
				<u>£</u>
National and regional initiatives				
IDC	-	1,690	1,690	1,729
Training and development				
Foundation for Ministry	-	3,475	3,475	1,400
Reps conference	-	-	-	9,203
Women's conference	-	-	-	1,525
Events				
Student Forum	-	3,447	3,447	2,160
Big Weekend	-	10,304	10,304	-
Scottish conference	-	6,416	6,416	4,817
	<u>-</u>	<u>25,332</u>	<u>25,332</u>	<u>20,834</u>

3 TRADING COSTS

	<u>Unrestricted</u>	<u>Restricted</u>	<u>2011</u>	<u>2010</u>
	<u>£</u>	<u>£</u>	<u>Total</u>	<u>Total</u>
			<u>£</u>	<u>Restated</u>
				<u>£</u>
Opening stock	8,964	-		
Printing and purchases	3,010	-		
	<u>11,974</u>	<u>-</u>		
Closing stock	(5,844)	-		
	<u>6,130</u>	<u>-</u>	6,130	2,048
Ministry materials support costs (Note 4)	2,900	-	2,900	3,378
	<u>9,030</u>	<u>-</u>	<u>9,030</u>	<u>5,426</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2011 (continued)

4 CENTRAL SUPPORT COSTS

	Unrestricted	Restricted	2011 Total	2010 Total Restated
	£	£	£	£
Payments to beneficiaries				
UK Navigators	31,695	-	31,695	41,329
Non-UK Navigators	27,754	-	27,754	27,925
Robinson Africa Fund	1,450	-	1,450	1,689
National and regional initiatives	11,117	-	11,117	11,824
Training and development	6,767	-	6,767	11,261
Events	7,733	-	7,733	7,883
International Missions	967	-	967	1,126
Supporter education	2,417	-	2,417	2,815
Ministry materials	2,900	-	2,900	3,378
Fundraising	3,867	-	3,867	3,378
	<u>96,667</u>	<u>-</u>	<u>96,667</u>	<u>112,608</u>

Central support costs were divided on the basis of time spent by office staff using the following percentages

Payments to beneficiaries 63%, National and regional initiatives 11.5%, Training and development 7%, Events 8%, International Missions 1%, Supporter education 2.5%, Ministry materials 3%, Fundraising 4%

5 DIRECT SUPPORT COSTS OF CHARITABLE ACTIVITIES

	Unrestricted	Restricted	2011 Total	2010 Total Restated
	£	£	£	£
Payments to beneficiaries	-	1,611	1,611	797
National and regional initiatives	19,960	-	19,960	22,536
International Missions	-	4,107	4,107	-
	<u>19,960</u>	<u>5,718</u>	<u>25,678</u>	<u>23,333</u>

6 CHARITABLE ACTIVITY EXPENDITURE (excluding support costs)

	Unrestricted	Restricted	2011 Total	2010 Total Restated
	£	£	£	£
Payments to beneficiaries	-	1,208,431	1,208,431	1,206,958
National and regional initiatives	2,503	3,061	5,564	7,700
Training and development	4,353	9,025	13,378	25,492
Events	140	28,575	28,715	8,328
International Missions	-	2,382	2,382	1,133
	<u>6,996</u>	<u>1,251,474</u>	<u>1,258,470</u>	<u>1,249,611</u>

Within payments to beneficiaries, institutional grants of £90,274 were paid to Navigator projects based in Europe, Africa, North America, Australasia and Asia. The remaining payments to beneficiaries of £1,118,157 consisted of grants to individuals.

7 TOTAL EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted	Restricted	2011 Total	2010 Total Restated
	£	£	£	£
Payments to beneficiaries				
Central support costs	60,899	-		
Direct support costs	-	1,611		
Other charitable expenditure	-	1,208,431		
	60,899	1,210,042	1,270,941	1,278,698
National and regional initiatives				
Central support costs	11,117	-		
Direct support costs	19,960	-		
Other charitable expenditure	2,503	3,061		
	33,580	3,061	36,641	42,060
Training and development				
Central support costs	6,767	-		
Other charitable expenditure	4,353	9,025		
	11,120	9,025	20,145	36,753
Events				
Central support costs	7,733	-		
Other charitable expenditure	140	28,575		
	7,873	28,575	36,448	16,211
International Missions				
Central support costs	967	-		
Direct support costs	-	4,107		
Other charitable expenditure	-	2,382		
	967	6,489	7,456	2,259
	<u>114,439</u>	<u>1,257,192</u>	<u>1,371,631</u>	<u>1,375,981</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2011 (continued)

8 GOVERNANCE COSTS

	<u>Unrestricted</u>	<u>Restricted</u>	<u>2011</u>	<u>2010</u>
	<u>£</u>	<u>£</u>	<u>Total</u>	<u>Total</u>
			<u>£</u>	<u>£</u>
Companies House fee	15	-	15	165
Audit fee	4,340	-	4,340	3,806
Bank audit charges	-	-	-	32
Trustees' travel expenses	1,099	-	1,099	474
Trustees' meeting expenses	553	-	553	453
Trustees' insurance	1,007	-	1,007	1,220
Professional fees	714	-	714	-
Charity manual subscription	406	-	406	394
	<u>8,134</u>	<u>-</u>	<u>8,134</u>	<u>6,544</u>

9 NET INCOMING/OUTGOING RESOURCES FOR THE YEAR (NET INCOME/EXPENDITURE BEFORE TRANSFERS)

This is stated after charging

	<u>2011</u>	<u>2010</u>
	<u>£</u>	<u>£</u>
Depreciation	1,143	1,141
Auditors' remuneration	4,340	3,806
	<u>5,483</u>	<u>4,947</u>

10 TRANSFERS

	<u>Unrestricted</u>	<u>Restricted</u>	<u>2011</u>
	<u>£</u>	<u>£</u>	<u>Total</u>
			<u>£</u>
Administration charge transfers	87,726	(87,726)	-
Ministry transfers	(9,367)	9,367	-
General Fund transfers	4,372	(4,372)	-
	<u>82,731</u>	<u>(82,731)</u>	<u>-</u>

Administration Charge is a levy of 7% on donations received for beneficiaries

Ministry transfers is the total cost transferred to Restricted Funds to cover any deficit.

General Fund transfers are donations that in the past have been restricted and have been redirected by the donor to unrestricted funds

11 STAFF COSTS AND NUMBERS

	<u>2011</u>	<u>2010</u>
	<u>£</u>	<u>£</u>
Salaries and wages	44,326	57,957
Employer's National Insurance contributions	4,189	4,220
Pension contributions	3,267	3,051
	<u>51,782</u>	<u>65,228</u>

No employee received emoluments of more than £60,000 p a

The average number of full-time equivalent employees was two (2010 three)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2011 (continued)

12 FIXED ASSETS

	<u>Freehold property</u> £	<u>Equipment</u> £	<u>Total</u> £
Cost			
At 1 September 2010	149,781	13,241	163,022
Disposals	-	(489)	(489)
At 31 August 2011	<u>149,781</u>	<u>12,752</u>	<u>162,533</u>
Depreciation			
At 1 September 2010	-	11,581	11,581
Depreciation on disposals	-	(489)	(489)
Charge for the year	-	1,143	1,143
At 31 August 2011	<u>-</u>	<u>12,235</u>	<u>12,235</u>
Net book value			
At 31 August 2011	149,781	517	150,298
At 31 August 2010	149,781	1,660	151,441

The Navigators have equity holdings in two freehold properties - 49 Dorchester Avenue, Cardiff (40%) and 100 Dukes Avenue, New Malden (57%)

The Trustees have not adopted a policy of revaluation of fixed assets. However, the properties were valued in 2011 by the Trustees in consultation with local estate agents at £395,000 (Dorchester Avenue) and £440,000 (Dukes Avenue). The other parties have purchased the properties with the assistance of mortgages. The properties are the subject of a legal charge in relation to these mortgages.

13 PREPAYMENTS AND DEBTORS

	<u>2011</u>		<u>2010</u>	
	£	£	£	£
Prepayments				
Deposits	2,362		2,838	
Subscriptions/maintenance contracts	1,880		1,371	
Leases	254		249	
Insurance	955		936	
Utilities	78		73	
		5,529		5,467
Debtors				
Bank interest	3,813		8,323	
Sales debtors	106		78	
Gift aid	31,373		45,404	
NavEurope (re 10/11 expenses)	-		1,162	
		35,292		54,967
Total		<u>40,821</u>		<u>60,434</u>

14 CREDITORS (AMOUNTS FALLING DUE WITHIN ONE YEAR), ACCRUED CHARGES AND AMOUNTS RECEIVED IN ADVANCE

	<u>2011</u> £	<u>2010</u> £
Tax and National Insurance	2,524	2,538
Other creditors	13	110
Accruals	4,271	3,992
Amounts received in advance	130	-
	<u>6,938</u>	<u>6,640</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2011 (continued)

15 RESTRICTED FUNDS

Name of fund	Note	Balance at 1 Sept 2010 Restated £	Incoming resources £	Resources expended £	Transfers in £	Transfers out £	Balance at 31 Aug 2011 £
Beneficiary Funds	(i)	87,805	1,277,810	1,180,497	9,785	114,039	80,864
Beneficiary Savings	(ii)	42,973	1,789	13,439	22,333	-	53,656
Benevolent Fund	(iii)	26,035	381	600	-	-	25,816
Robinson Africa Fund	(iv)	169,983	2,385	15,506	-	-	156,862
International Missions	(v)	-	48	6,489	6,444	3	-
National and regional initiatives							
Intentional Disciplemaking Church	(vi)	3,150	2,487	3,061	-	56	2,520
Associates	(vii)	2,430	45	-	-	3	2,472
Training and development							
Foundations for Ministry	(viii)	8,734	3,599	5,209	-	-	7,124
Connect	(ix)	3,255	3,500	3,816	561	245	3,255
Events							
Student Forum	(x)	-	3,447	5,810	2,363	-	-
Big Weekend	(xi)	-	16,272	14,604	-	-	1,668
Scottish conference	(xii)	844	7,632	8,161	-	85	230
Reserve Fund	(xiii)	103,057	1,515	-	-	-	104,572
Africa Regional Fund	(xiv)	9,786	-	-	-	9,786	-
		<u>458,052</u>	<u>1,320,910</u>	<u>1,257,192</u>	<u>41,486</u>	<u>124,217</u>	<u>439,039</u>

- (i) The Beneficiary Funds are donors' gifts to The Navigators that are restricted, being donations for the support of individual self-employed Navigator representatives or their ministry funds
- (ii) Beneficiary Savings are savings accounts for self-employed Navigator representatives to cover the future cost of BUPA health insurance, car replacement, ministry travel, conferences, training, etc
- (iii) The Benevolent Fund is a fund to be used for benevolent donations for the special needs of self-employed Navigator representatives
- (iv) The Robinson Africa Fund is a fund to receive a legacy left to The Navigators UK Ltd to be used for work in Africa
- (v) International Missions is a fund to meet the cost of international travel and pastoral care of UK Navigator missionaries working overseas
- (vi) Intentional Disciplemaking Church (IDC) is a fund to meet the cost of providing discipleship training to churches
- (vii) Associates is a fund to meet the cost of providing support and training to Navigator Associates
- (viii) Foundations for Ministry is a fund for the running of a 3-year training programme for the development of UK Navigator representatives
- (ix) Connect is a fund for the running of the Connect graduate training programme
- (x) Student Forum is a fund for the running of the Student Forum conference for those working with students
- (xi) Big Weekend is a fund for the running of the Big Weekend conferences
- (xii) Scottish conference is a fund for the running of Scottish discipleship conferences
- (xiii) The Reserve Fund is a fund to cover an adverse economic environment or to wind up the charity
- (xiv) The Africa Regional Fund is a fund to support work in Africa. This fund was combined with the Beneficiary Funds on 1 Sept 2010

16 UNRESTRICTED FUNDS - GENERAL FUND

Name of fund	Balance at 1 Sept 2010 Restated £	Incoming resources £	Resources expended £	Transfers in £	Transfers out £	Balance at 31 Aug 2011 £
General Fund	293,657	90,739	134,442	92,098	9,367	332,685
	<u>293,657</u>	<u>90,739</u>	<u>134,442</u>	<u>92,098</u>	<u>9,367</u>	<u>332,685</u>

17 UNRESTRICTED FUNDS - DESIGNATED FUNDS

Name of fund	Balance at 1 Sept 2010 Restated £	Incoming resources £	Resources expended £	Transfers in £	Transfers out £	Balance at 31 Aug 2011 £
Stock Reserves Fund	8,744	-	6,130	-	-	2,614
	<u>8,744</u>	<u>-</u>	<u>6,130</u>	<u>-</u>	<u>-</u>	<u>2,614</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2011 (continued)

18 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	<u>Restricted funds</u>	<u>General Fund</u>	<u>Designated funds</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Tangible fixed assets	-	150,298	-	150,298
Net current assets	439,039	182,387	2,614	624,040
Total net assets at 31 August 2011	<u>439,039</u>	<u>332,685</u>	<u>2,614</u>	<u>774,338</u>

19 TRUSTEES' REMUNERATION

None of the trustees received any remuneration in the year (2010 £nil)

Travel expenses of £1,099 (2010 £474) were reimbursed to six trustees (2010 two)

20 COMMITMENTS UNDER OPERATING LEASES

At 31 August 2011 the charitable company had annual commitments under non-cancellable operating leases as follows

	<u>2011</u>	<u>2010</u>
	<u>£</u>	<u>£</u>
Operating leases which expire		
Within one year	15,000	
Within two to five years	<u>1,596</u>	<u>15,191</u>

21 RELATED PARTY TRANSACTIONS

There were no related party transactions during the year (2010 none)