



THE NAVIGATORS UK

Helping people to know Christ and make him known

THE NAVIGATORS UK LIMITED

A Company Limited by Guarantee

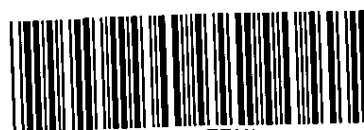
Company no. 4429021

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

ANNUAL REPORT AND ACCOUNTS

31 August 2012

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THE NAVIGATORS UK LIMITED

ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2012

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2012

1. Trustees	J C Appleton R Cooper G Howard S Peters S Mulholland L de Caestecker K Glazebrook (from April 2012) J Knox (from July 2012) M Clark (to November 2011) P L Butler (to April 2012) J L M Douglas (to July 2012)
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 2012. 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 governed by a 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 1 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. For more than six years, Peter Butler has acted as Chairman for the Charity. After many years of faithful service, Peter retired from the Board at the last AGM. The Board would like to thank Peter for the very significant contribution he has made to the Navigators over his years of service and particularly as Chairman. His leadership has been an example of godliness and faithful trusting in our Lord during times that have often been difficult and demanding. His hallmark gifts of attentive listening to the views of others, a real sense of compassion and clear leadership skills have been a blessing to us all. His fellow Trustees wish him well in his well-earned retirement from the Board.

The Board has established a Finance Committee comprising a minimum of two 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 individuals and the Board decides who to approach and invite to consider becoming a Trustee. In order to familiarise themselves with the ethos, aims and activities of the Charity, potential Trustees are invited to attend a Board meeting before being invited to join. 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. New Trustees are encouraged to attend training seminars and all Trustees are invited to attend the annual conference for Navigator representatives.

Operational responsibility for the ministry of the Charity is entrusted to the Country Leader, with day-to-day operational and financial matters resting with the Finance Manager and the Office Manager. 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.

Within the UK we are currently helping people to live out and pass on the Christian faith in a variety of contexts and situations, which include

- With university and college students through our Student Ministries (studentNAVS)
- Networking with graduates after university through the LifeNet ministry
- Providing help and encouragement for individuals who share a passion for discipling within their relational networks
- Serving local churches and mission agencies through personal involvement and consultancy

In addition to ministering within the UK, we also send trained workers overseas

In order to serve this network of representatives

- There was a weekend conference for all representatives in May 2012. This was addressed by the International President of the Navigators. The strategic faith goals and plans for the development of the UK work were presented and discussed.
- The National Leadership Team – consisting of the four couples leading the established regions together with the Country Leader and his wife – met formally on four occasions during the year. The Country Leader and his wife also visited the regions for coaching and consultancy. The Regional Leaders visited the representatives in their region.
- A Missions Team provided care and oversight for those ministering overseas as well as managing the transition back into the UK of returnees.
- A Leader Development and Support Team met four times to consult and advise on the development of emerging leaders.
- A Management and Development Team met twice and completed a number of support projects.

4. ACHIEVEMENT AND PERFORMANCE

There are currently 93 representatives associated with the UK Navigators. Representatives ministered to university students in nine cities, with additional ministry to international students in some of these as well as in two further cities. Over 500 students were engaged with during the course of the year. A national weekend conference in March 2012 attracted 168 students and recent graduates.

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

Three one-day conferences for alumni and their friends were held in the south east, the east Midlands and the west Midlands, attracting over 300 participants.

A second five-day residential School of Disciplemaking was organised in Scotland, in partnership with the European Leadership Forum, and was attended by 77 students and young graduates.

Second half living groups focusing on the 50+ age group continued in two locations.

Two new representatives were appointed, working with students within the UK, one with a particular emphasis on international students.

Two representative couples returned from overseas. After a period of sabbatical, three of these individuals will look for a new role in the UK Navigators, while one will continue to travel overseas to support the national leadership there. Currently 12 representatives are engaged in an overseas travelling ministry to coach nationals and a further 13 live overseas.

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

Representatives participated in the European Leadership Forum in Hungary, where the Navigators were once again invited to provide training in disciplemaking for church workers from across the continent.

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

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

- Ten representatives completed the three-year Foundations for Ministry programme consisting of five weekend residentials and personal assignments.
- A weekend forum providing training for those working with university students was held in September 2011.
- Two training days were held specifically for women representatives.
- A two-day seminar on fundraising was organised to train representatives in raising their personal support, drawing on the expertise of the Navigator Worldwide Partnership.

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 attended a forum with country leaders from countries in the north-west of Europe. In March 2012, he, his wife and four other representatives also attended the European Council of the Navigators and participated in the selection of the new European Director. Representatives also participated in two European conferences for student leaders.

5. FINANCIAL REVIEW

The balance sheet shows an increase in net total assets of £111,018 during 2011/12. The total in unrestricted funds increased by £235,743. There are no funds in deficit in the accounts.

Income

Voluntary donations increased by £71,544 (6%) compared with last year, whereas gift aid received decreased by £8,904 (4%). 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 2011/12 from charitable activities due to the addition of a successful national conference for representatives and several regional day conferences this year. Income from investment rose a little in 2011/12 as a result of an increase in funds invested.

During the year, one of the two properties in which the Navigators hold an interest was sold, generating net proceeds to the Charity of £136,957. This amount is included as income in the financial statements.

Expenditure

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 £10,249 were made from the Robinson Africa Fund legacy to projects in Africa.

Unrestricted funds were used to fund ministries and projects and to cover the costs of the national office and governance.

The central support costs of the charity rose by £5,519 compared with last year as a result of inflation increases and maintenance costs of premises.

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 four 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. Unrestricted funds are held in the General Fund in addition to a cash reserve of £33,733 that is held in a restricted fund 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 been agreed with the National Leadership Team 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 2012
- A repeat of year 1 of the rolling three-year Foundations for Ministry programme for seven recently appointed representatives
- A weekend national conference for students in February 2013
- Regional Day Conferences for Navigator alumni and interested friends scheduled for the west Midlands (Nov 2011) and the east Midlands (May 2013)
- A third Scottish School of Disciplemaking in June 2013
- A national conference for all representatives in August 2013

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 that 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



Chris Appleton – Chair

Date *6 December 2012*

We have audited the financial statements of The Navigators UK Limited for the year ended 31 August 2012 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 2012 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).

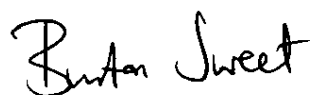
Opinion on other matter prescribed by the Companies Act 2006

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

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



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 18th December 2012

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 2012 (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

	Note	Unrestricted funds £	Restricted funds £	2012 Total £	2011 Total restated £
INCOMING RESOURCES					
<i>Incoming resources from generated funds</i>					
Voluntary income	1	64,862	1,356,263	1,421,125	1,358,485
Activities for generating income: rental income		2,856	-	2,856	2,856
Investment income		6,989	3,785	10,774	9,572
<i>Incoming resources from charitable activities</i>	2	51,090	-	51,090	39,736
<i>Other incoming resources</i>	8	136,957	5,170	142,127	1,000
TOTAL INCOMING RESOURCES		262,754	1,365,218	1,627,972	1,411,649
RESOURCES EXPENDED					
<i>Costs of generating funds</i>					
Costs of generating voluntary income		4,430	-	4,430	4,938
<i>Charitable activities</i>					
Payments to beneficiaries	3, 4	68,420	1,309,043	1,377,463	1,270,941
National and regional initiatives		43,085	-	43,085	49,702
Training and development		35,909	-	35,909	20,145
Events		43,580	-	43,580	36,448
International missions		4,446	-	4,446	7,456
		195,440	1,309,043	1,504,483	1,384,692
<i>Governance costs</i>	5	8,041	-	8,041	8,134
TOTAL RESOURCES EXPENDED		207,911	1,309,043	1,516,954	1,397,764
Net income before transfers	6	54,843	56,175	111,018	13,885
Gross transfers between funds	11	180,900	(180,900)	-	-
Net movement in funds	11	235,743	(124,725)	111,018	13,885
RECONCILIATION OF FUNDS					
Total funds brought forward		335,299	439,039	774,338	760,453
Total funds carried forward	11	571,042	314,314	885,356	774,338

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

BALANCE SHEET AS AT 31 AUGUST 2012

	Note	2012		2011	
		£	£	£	£
TANGIBLE FIXED ASSETS	8		51,803		150,298
CURRENT ASSETS					
Stock of literature at cost		5,701		5,844	
Prepayments and debtors	9	30,860		40,821	
Charity bonds		750,000		500,000	
Bank balances		<u>55,345</u>		<u>84,313</u>	
		841,908		630,978	
CURRENT LIABILITIES					
Creditors amounts falling due within one year	10	<u>8,353</u>		<u>6,938</u>	
		8,353		6,938	
NET CURRENT ASSETS			833,553		624,040
TOTAL NET ASSETS			<u>885,356</u>		<u>774,338</u>
STATEMENT OF FUNDS	12				
Restricted funds			314,314		439,039
Unrestricted funds					
General Fund		570,798		332,685	
Designated funds		<u>244</u>		<u>2,614</u>	
			571,042		335,299
TOTAL FUNDS			<u>885,356</u>		<u>774,338</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

6 December

2012 and signed on their behalf by

Chris Appleton

Chris Appleton
Chair of Trustees

The notes on pages 12 to 17 form part of these financial statements

ACCOUNTING POLICIES FOR THE YEAR ENDED 31 AUGUST 2012

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, the Financial Reporting Standard for Smaller Entities (revised 2008) 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. A portion is allocated to various restricted funds on the basis of the average balance in these funds over the financial year. The remainder is allocated to the General Fund.
- Income from the disposal of property has been included net of the costs of disposal in other incoming resources.

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.

- Costs of generating funds comprise the costs associated with attracting voluntary income.
- 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.
- Central support costs are allocated to the different charitable activities on the basis of estimated time spent by the office staff. These estimates are reviewed annually.

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 of literature 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 2012

1 VOLUNTARY INCOME

	<u>Unrestricted</u>	<u>Restricted</u>	<u>2012</u>	<u>2011</u>
	<u>£</u>	<u>£</u>	<u>Total</u>	<u>Total</u>
			<u>£</u>	<u>£</u>
Donations	56,549	1,166,180	1,222,729	1,151,185
Tax refunds	8,313	190,083	198,396	207,300
	<u>64,862</u>	<u>1,356,263</u>	<u>1,421,125</u>	<u>1,358,485</u>

2 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	<u>Unrestricted</u>	<u>Restricted</u>	<u>2012</u>	<u>2011</u>
	<u>£</u>	<u>£</u>	<u>Total</u>	<u>Total</u>
			<u>£</u>	<u>restated</u>
				<u>£</u>
Administration subscriptions	10,248	-	10,248	10,256
National and regional initiatives	3,562	-	3,562	5,838
Training and development	13,251	-	13,251	3,475
Events	24,029	-	24,029	20,167
	<u>51,090</u>	<u>-</u>	<u>51,090</u>	<u>39,736</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2012 (continued)

3 EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct costs	Central support costs	2012 Total	2011 Total restated
	£	£	£	£
Payments to beneficiaries	1,311,043	66,420	1,377,463	1,270,941
National and regional initiatives	26,735	16,350	43,085	49,702
Training and development	28,756	7,153	35,909	20,145
Events	32,340	11,240	43,580	36,448
International missions	3,424	1,022	4,446	7,456
	<u>1,402,298</u>	<u>102,185</u>	<u>1,504,483</u>	<u>1,384,692</u>

Central support costs are analysed in note 4

Within payments to beneficiaries (direct costs), institutional grants of £58,328 were paid to Navigator projects based in Europe, Africa, North America, Australasia and Asia. The remaining payments to beneficiaries of £1,252,715 consisted of grants to individuals.

4 CENTRAL SUPPORT COSTS

	2012 £	2011 £
Costs relating to staff	54,765	51,822
Premises and equipment	26,995	25,140
Fees, subscriptions and maintenance contracts	4,728	5,151
General administration costs	15,697	14,553
	<u>102,185</u>	<u>96,666</u>

Central support costs were divided on the basis of time spent by office staff using the following percentages: Payments to beneficiaries 65%, National and regional initiatives 16%, Training and development 7%, Events 11%, International missions 1%.

5 GOVERNANCE COSTS

	Unrestricted £	Restricted £	2012 Total £	2011 Total £
Audit fee	4,260	-	4,260	4,340
Trustee costs	3,324	-	3,324	2,659
Statutory and professional fees	457	-	457	1,135
	<u>8,041</u>	<u>-</u>	<u>8,041</u>	<u>8,134</u>

6 NET INCOME BEFORE TRANSFERS

This is stated after charging

	2012 £	2011 £
Depreciation	517	1,143
Auditor's remuneration	4,260	4,340
	<u>4,777</u>	<u>5,483</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2012 (continued)

7 STAFF COSTS AND NUMBERS

	2012 £	2011 £
Salaries and wages	48,242	44,326
Employer's National Insurance contributions	4,380	4,189
Pension contributions	3,534	3,267
	<u>54,156</u>	<u>51,782</u>

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

The average number of full-time equivalent employees was two (2011 two)

8 FIXED ASSETS

	Freehold property £	Equipment £	Total £
Cost			
At 1 September 2011	149,781	12,752	162,533
Disposals	(97,978)	(1,409)	(99,387)
At 31 August 2012	<u>51,803</u>	<u>11,343</u>	<u>63,146</u>
Depreciation			
At 1 September 2011	-	12,235	12,235
Depreciation on disposals	-	(1,409)	(1,409)
Charge for the year	-	517	517
At 31 August 2012	<u>-</u>	<u>11,343</u>	<u>11,343</u>
Net book value			
At 31 August 2012	<u>51,803</u>	<u>-</u>	<u>51,803</u>
At 31 August 2011	149,781	517	150,298

The Navigators have an equity holding (40%) in one freehold property (49 Dorchester Avenue, Cardiff). The other party has purchased the property with the assistance of a mortgage. The property is the subject of a legal charge in relation to this mortgage.

During the year the Trustees disposed of a freehold property (100 Dukes Avenue, New Malden), with a profit after costs of £136,957, which has been included in other incoming resources.

The Trustees have not adopted a policy of revaluation of fixed assets. However, the property was valued in 2011 by the Trustees in consultation with local estate agents at £395,000.

9 PREPAYMENTS AND DEBTORS

	2012 £	2011 £
Prepayments	5,765	5,529
Debtors and accrued interest	25,095	35,292
	<u>30,860</u>	<u>40,821</u>

10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012 £	2011 £
Tax and National Insurance	2,584	2,524
Other creditors	359	13
Accruals	4,760	4,271
Amounts received in advance	660	130
	<u>8,353</u>	<u>6,938</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2012 (continued)

11 MOVEMENT IN FUNDS

Note	Balance at 1 Sept 2011 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 Aug 2012 £
UNRESTRICTED FUNDS					
General Fund	332,685	262,754	(205,541)	180,900	570,798
Stock Reserves Fund (designated)	(i) 2,614	-	(2,370)	-	244
	335,299	262,754	(207,911)	180,900	571,042
RESTRICTED FUNDS					
Beneficiary Funds	(ii) 80,864	1,356,817	(1,298,619)	(38,797)	100,265
Beneficiary Savings	(iii) 53,656	-	-	(53,656)	-
Benevolent Fund	(iv) 25,816	-	-	-	25,816
Robinson Africa Fund	(v) 156,862	2,345	(10,424)	-	148,783
National and regional initiatives					
Intentional Disciplemaking Church	(vi) 2,520	-	-	(2,520)	-
Associates	(vii) 2,472	-	-	(2,472)	-
Training and development					
Foundations for Ministry	(viii) 7,124	79	-	(3,798)	3,407
Connect	(ix) 3,255	500	-	(3,290)	465
Events					
Big Weekend	(x) 1,668	4,845	-	(4,668)	1,845
Scottish conference	(xi) 230	-	-	(230)	-
Other restricted gifts	(xii) -	632	-	(632)	-
Reserve Fund	(xiii) 104,572	-	-	(70,839)	33,733
	439,039	1,365,218	(1,309,043)	(180,900)	314,314
TOTAL FUNDS	774,338	1,827,872	(1,516,954)	-	885,356

Transfers shown are net movements between funds and consist of five main types

- **Administration charge transfers** a levy on donations received transferred from various restricted funds to the General Fund
- **Recategorised funds** movement of the balance on restricted funds recategorised as unrestricted following a review by the Trustees
- **Ministry transfers** movement of funds from various restricted funds to the General Fund to contribute towards project expenditure in line with their restrictions
- **Incorrectly restricted free reserves** transfer of free reserves held in the restricted Reserve Fund that on review by the Trustees were shown to have been incorrectly described as restricted in the past
- **General Fund transfers** donations that in the past have been restricted and have been redirected by the donor to unrestricted funds

	Unrestricted £	Restricted £	2012 Total £
Administration charge transfers	90,894	(90,894)	-
Recategorised funds	5,222	(5,222)	-
Ministry transfers	12,314	(12,314)	-
Incorrectly restricted free reserves	70,839	(70,839)	-
General Fund transfers	1,631	(1,631)	-
	180,900	(180,900)	-

In addition, a transfer was made from the Beneficiary Savings to the Beneficiary Funds to combine these two funds

- (i) The **Stock Reserves Fund** (designated) was set aside by the Trustees to meet the cost of sales of resource materials published by the Chanty
- (ii) **Beneficiary Funds** represent restricted donations to The Navigators for the support of individual self-employed Navigator representatives or their ministry funds
- (iii) **Beneficiary Savings** are restricted donations to The Navigators for the support of individual self-employed Navigator representatives that have not yet been distributed. This fund was combined with the Beneficiary Funds on 1 Sept 2011
- (iv) The **Benevolent Fund** is a restricted fund to be used for benevolent donations for the special needs of self-employed Navigator representatives
- (v) The **Robinson Africa Fund** is a restricted fund to receive a legacy left to The Navigators to be used for work in Africa
- (vi) **Intentional Disciplemaking Church** is a fund to meet the cost of providing discipleship training to churches. It was recategorised as unrestricted and combined with the General Fund on 1 Sept 2011
- (vii) **Associates** is a fund to meet the cost of providing support and training to Navigator Associates. It was recategorised as unrestricted and combined with the General Fund on 1 Sept 2011
- (viii) **Foundations for Ministry** is a fund to receive restricted donations for subsidising places on a 3-year training programme for the development of UK Navigator representatives. Transfers out represent the movement of these restricted gifts to the General Fund to subsidise the costs of running the programme
- (ix) **Connect** is a fund to receive restricted donations for the Connect graduate training programme. Transfers out represent the movement of these restricted gifts to the General Fund to subsidise the costs of running the programme
- (x) **Big Weekend** is a fund to receive restricted donations towards Big Weekend conferences. Transfers out represent the movement of these restricted gifts to the General Fund to subsidise the costs of running the conferences
- (xi) **Scottish conference** is a fund for the running of Scottish discipleship conferences. It was recategorised as unrestricted and combined with the General Fund on 1 Sept 2011
- (xii) **Other restricted gifts** represent small restricted donations made towards specific events or national initiatives. Transfers out represent the movement of these restricted gifts to the General Fund to be used in line with their restrictions
- (xiii) The **Reserve Fund** is a restricted fund to cover an adverse economic environment or to wind up the charity

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2012 (continued)

12 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted funds £	General Fund £	Designated funds £	Total £
Tangible fixed assets	-	51,803	-	51,803
Net current assets	314,314	518,995	244	833,553
Total net assets at 31 August 2012	<u>314,314</u>	<u>570,798</u>	<u>244</u>	<u>885,356</u>

13 TRUSTEES' REMUNERATION

None of the Trustees received any remuneration in the year (2011 £nil)

Travel expenses of £1,496 (2011 £1,099) were reimbursed to six Trustees (2011 six)

14 COMMITMENTS UNDER OPERATING LEASES

At 31 August 2012 the charitable company had annual commitments under non-cancellable operating leases as follows

	2012 £	2011 £
Operating leases which expire		
Within one year	15,000	-
Within two to five years	<u>1,320</u>	<u>16,596</u>

15 RELATED PARTY TRANSACTIONS

There were no related party transactions during the year (2011 none)