



THE NAVIGATORS UK

Helping people to know Christ and make him known

THE NAVIGATORS UK LIMITED

A Company Limited by Guarantee

Company no. 4429021

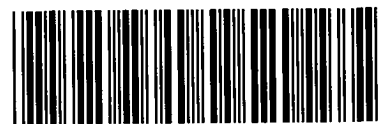
Charity Registered in England & Wales no. 1099148

Charity Registered in Scotland no. SC038484

ANNUAL REPORT AND ACCOUNTS

31 August 2014

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THE NAVIGATORS UK LIMITED

ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2014

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THE NAVIGATORS UK LIMITED
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2014

1. Trustees	J C Appleton* R Cooper G Howard S Peters* S Mulholland† L de Caestecker† K Glazebrook† J Knox† M Osborn (from December 2013)† *Finance committee †Representative and pastoral committee
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 No.	4429021
Charity Registered in England & Wales No.	1099148
Charity Registered in Scotland No.	SC038484

The Trustees present their annual report and the audited financial statements for the year ended 31 August 2014. 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 Navigators UK Limited is a company limited by guarantee with charitable status. 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, which meets at least three times a year. The Board has established a Finance Committee comprising a minimum of two Board members with responsibility for budget setting, monitoring of income and expenditure and the overview of the year-end accounts and audit.

The Board has also this year established a second committee dealing with pastoral matters relating to representatives to better aid the fulfilment of Trustee responsibility in these important areas.

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 as observers before being invited to join the Board. If the individual is willing to be a Trustee they are elected by the Board and formally invited to join. 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, supported by a National Leadership Team. Self-employed Navigator representatives work in association with the Charity in fulfilling its aims and objectives. Day-to-day administration and financial matters rest with the Office Manager and Finance Manager, whilst the Communications Coordinator has responsibility for managing and delivering the Charity's communications to representatives, supporters, trustees and the wider community.

Following a further careful and wide-ranging review, the Navigators UK now operates on a four quadrant basis plus international missions, together with certain national responsibilities to better meet the ministry challenges and opportunities.

The Navigators in the UK are part of 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 be appropriate to the ministry in the UK.

The Trustees continue to seek to identify the major risks to which the organisation is exposed and ensure that risk is managed to a satisfactory level. Risks are identified during the regular programme of Board meetings, where existing and new ministry activities, financial developments and regulatory changes are considered in the context of the risk they bring to the organisation. 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 monitored to ensure their continuing effectiveness.

The Board see it as part of their responsibility to be in direct contact with the representatives around the UK in order to be aware of the developments in our ministry and the needs and opportunities which arise. To that end, the location of Board meetings has been rotated to visit

different towns and cities through the year, with time set aside to meet the representatives in different locations. In addition, trustees are encouraged to attend Navigator events and meetings around the UK to have contact with representatives and supporters.

It is with great sadness that we report the death of Pete Dowse, our Country Leader, who passed on to be with his Lord and Saviour on 2 April 2014. In January 2013, Pete was diagnosed with non-Hodgkin's lymphoma, which required 18 weeks of chemotherapy. During this time he was able to continue in his role with a reduced work load. In June 2013, results showed that the treatment had not dealt with the tumour and further, more intensive treatment was needed, which began in August. In the light of this more intensive treatment, the trustees appointed Derek Leaf as interim Country Leader for 6 months from 1 September 2013. Following Pete's death, the Trustees appointed Derek to take over as Country Leader from 1 September 2014, with the overwhelming support of both Trustees and representatives.

This report would be incomplete without a testimony to Pete's contribution and commitment, first to our Lord and second to the ministry of the Navigators. He had for most of his life committed himself to following his Lord Jesus in humility and service. A man of outstanding gifts and talents, he and his wife Gillian brought the good news of the Gospel to many and helped and encouraged believers as they grew in their discipleship. We are the richer for his contribution but continue to feel the loss of his presence with us.

The Trustees also want to record their sincere appreciation and gratitude to Derek and his wife Eva as they take over the leadership of the ministry of the Navigators at this difficult but significant time. They too are a deeply gifted couple and it has been a great encouragement to see the support they have as they take on their new responsibilities.

3. OBJECTIVES AND ACTIVITIES

The Trustees have had due regard to the Charity Commission's guidance on public benefit when exercising any powers or duties to which the guidance is relevant.

The main objective of the Charity is the advancement of the 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. We are committed to helping people come to know Christ; to live as Christ's disciples in society and to be equipped to help others to do the same. This is expressed in our calling: '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 for those in their 20s and 30s
- 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, with representatives currently serving in Europe, Africa, America and East Asia.

In order to serve our network of Navigator representatives:

- There was a weekend conference for all representatives in May 2014. This was addressed by Mags Duggan on the topic of spiritual refreshment, with an encouragement to pace life and not burn out.
- Regional Leaders worked to develop the representatives in their region and provide support and development.
- A Missions Team provided care and oversight for those ministering overseas as well as managing the transition back into the UK of returnees.
- Our Communications Coordinator developed a new web site and updated our branding.

4. ACHIEVEMENT AND PERFORMANCE

There are currently 78 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.

Nine new graduates enrolled on our one-year Connect programme and one from a previous year underwent a second year of training and development.

Day conferences for alumni and friends were held in Cardiff and Leicester, attracting over 180 participants.

A five-day residential School of Disciplemaking was organised in Scotland, with a speaker from Sunset Presbyterian Church, Oregon, and was attended by more than 50 students and young graduates.

Second Half Living, an initiative aimed at helping Christians aged 50+ to continue to use their gifts in the service of their communities, provided a programme of small-group activities and workshops.

Four new representatives were appointed, working with students within the UK.

Currently 9 representatives travel abroad regularly to support and coach nationals in various countries and a further 10 live overseas.

Links have been established with a number of churches to assist them in disciplemaking. Many representatives have 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, where the Navigators were once again invited to provide training in disciplemaking for church workers from across Europe.

Short-term mission trips were organised to Norway, France, Kenya and Poland, providing teambuilding and training in discipleship and outreach for those attending and ministering both practically and spiritually to those from other cultures.

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

- The three-year Foundations for Ministry rolling programme, consisting of two-day residentials and personal assignments, continued to provide focused training for new representatives.
- A weekend forum providing training for those working with university students was held in September 2013.

As part of our links with the wider international Navigator movement, the UK hosted the Navigators' European Council 2014. In addition, the interim Country Leader and his wife attended a symposium on national funding in Paris.

5. FINANCIAL REVIEW

The balance sheet shows an increase in net total assets of £21,767 during 2013/14. The total of unrestricted funds increased by £41,567. There are no funds in deficit in the accounts.

Income

Voluntary donations increased by £10,348 (1%) compared with last year, whereas gift aid received increased by £4,041 (2%). 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.

Income from charitable activities fell in 2013/14 due to a decrease in the number of events taking place.

During the year, a property in which the Navigators hold an interest was sold, generating net profit to the Charity of £80,433. This amount is included under other incoming resources 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 £24,510 were made from the Robinson Africa Fund legacy to microenterprise and other projects in Africa.

Unrestricted funds were used to fund ministries and projects and to cover the costs of the national office and governance. Expenditure on international mission fell considerably, so these costs were reported within the other categories of charitable activity.

The central support costs of the charity rose by £27,499 compared with last year, mainly as a result of increased staff costs and the provision of a new website.

Investment policy

Investments are maintained in a low-risk liquid position with competitive interest. Funds are currently held in an instant-access charity savings account and in a bank deposit account. The amount invested and the interest rates earned are regularly reviewed by the Finance Committee of the Board.

Reserve policy

Unrestricted funds are held in the General Fund to meet the costs of future ministries and projects and to underwrite current activities.

The Trustees have agreed a new reserve Policy, based on the calculation of both a minimum and a maximum reserve level to be held in the event of sudden and catastrophic fall in restricted donations.

Reserve levels aim to provide for 90% of central support costs for a minimum of 6 months and a maximum of 12 months, plus 60% of Navigator representative support for a minimum of 3 months and a maximum of 6 months. Additional sums of a minimum of £25,000 and a maximum of £50,000 for emergency support to staff or representatives in exceptional circumstances.

Such reserve levels will enable the Charity to continue operating in the short term whilst evaluating options for survival or cessation.

Calculated reserves under this new policy result in a maximum reserve level of £617,000 and a minimum reserve level of £309,000. Unrestricted reserves as at 31 August 2014 stand at £669,763, primarily due to the sale of two part-owned properties in the past two years. As this is some £50,000 in excess of the maximum reserve level, the Trustees have agreed an operating budgets for the coming year (2014/15) with a budgeted deficit in order to utilise some of the excess reserves.

The reserve policy and corresponding reserve levels will be the subject of ongoing monitoring and review by both the Board and the Board Finance Committee.

6. PLANS FOR THE FUTURE

Following the appointment of Derek Leaf as Country Leader, a new structure has been introduced to ensure that all representatives are represented on the National Leadership Team. This leadership team will be exploring a new set of priorities.

There is a move towards developing Communities of Practice in the various functions of ministry to encourage and envision representatives in their specific form of ministry.

In addition to on-going ministry with individuals and groups, other activities for 2014-2015 include:

- A weekend forum to equip and motivate those working with students in September 2014
- Quadrant day conferences for representatives in Scotland, the West, the East and the South for development, envisioning and training
- A repeat of year 3 of the rolling three-year Foundations for Ministry programme for six recently appointed representatives
- Regional day conferences for Navigator alumni and interested friends in Leicester and Cardiff
- A weekend national conference for students and recent graduates in February 2015
- A further Scottish School of Disciplemaking in June 2015
- A national conference for all representatives in May 2015
- A European Council to be held in Budapest
- A European Student Conference for representatives working with students
- Pilot Second Half Living events in new locations

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 10.11.14

We have audited the financial statements of The Navigators UK Limited for the year ended 31 August 2014 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 2014 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).

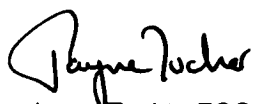
Opinion on other matter prescribed by the Companies Act 2006

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;
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report.



Jayne Tucker FCCA
Senior Statutory Auditor
For and on behalf of Burton Sweet Chartered Accountants, Statutory Auditor

Pembroke House
15 Pembroke Road
Clifton
Bristol BS8 3BA

Date: 24.11.2014

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 2014 (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

	Note	Unrestricted funds £	Restricted funds £	2014 Total £	2013 Total £
INCOMING RESOURCES					
<i>Incoming resources from generated funds</i>					
Voluntary income	1	56,094	1,450,841	1,506,935	1,492,546
Activities for generating income: rental income		2,856	-	2,856	2,856
Investment income		12,180	4,087	16,267	21,762
<i>Incoming resources from charitable activities</i>	2	44,451	-	44,451	60,459
<i>Other incoming resources</i>		80,433	-	80,433	7,135
TOTAL INCOMING RESOURCES		196,014	1,454,928	1,650,942	1,584,758
RESOURCES EXPENDED					
<i>Costs of generating funds</i>					
Costs of generating voluntary income		2,583	-	2,583	275
<i>Charitable activities</i>					
Payments to beneficiaries	3.4	77,218	1,372,595	1,449,813	1,392,810
National and regional initiatives		58,721	-	58,721	47,137
Training, development and care		65,536	-	65,536	56,577
Events		45,425	-	45,425	57,972
International missions		-	-	-	9,530
		246,900	1,372,595	1,619,495	1,564,026
<i>Governance costs</i>	5	7,097	-	7,097	8,263
TOTAL RESOURCES EXPENDED		256,580	1,372,595	1,629,175	1,572,564
Net income before transfers	6	(60,566)	82,333	21,767	12,194
Gross transfers between funds	11	102,133	(102,133)	-	-
Net movement in funds	11	41,567	(19,800)	21,767	12,194
RECONCILIATION OF FUNDS					
Total funds brought forward		628,196	269,354	897,550	885,356
Total funds carried forward	11	669,763	249,554	919,317	897,550

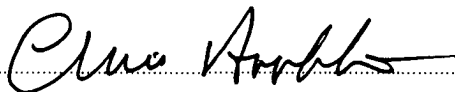
The Charity has no other recognised gains or losses other than the results for the year as set out above.
All the activities of the Charity are classed as continuing.

BALANCE SHEET AS AT 31 AUGUST 2014

	Note	2014		2013	
		£	£	£	£
TANGIBLE FIXED ASSETS	8		3,070		53,769
CURRENT ASSETS					
Stock of literature at cost		4,102		4,784	
Prepayments and debtors	9	46,541		60,244	
Charity bonds		-		225,000	
Savings account		825,100		450,100	
Bank balances		49,447		133,067	
		<u>925,190</u>		<u>873,195</u>	
CURRENT LIABILITIES					
Creditors: amounts falling due within one year	10	8,943		29,414	
		<u>8,943</u>		<u>29,414</u>	
NET CURRENT ASSETS			916,247		843,781
TOTAL NET ASSETS			<u>919,317</u>		<u>897,550</u>
STATEMENT OF FUNDS	12				
Restricted funds			249,554		269,354
Unrestricted funds			669,763		628,196
TOTAL FUNDS			<u>919,317</u>		<u>897,550</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 10 November 2014 and signed on their behalf by:



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 2014

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.
- 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 is 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 2014

1 VOLUNTARY INCOME

	Unrestricted	Restricted	2014	2013
	£	£	Total	Total
			£	£
Donations	48,260	1,252,580	1,300,840	1,290,492
Tax refunds	7,834	198,261	206,095	202,054
	<u>56,094</u>	<u>1,450,841</u>	<u>1,506,935</u>	<u>1,492,546</u>

2 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted	Restricted	2014	2013
	£	£	Total	Total
			£	£
Administration subscriptions	9,432	-	9,432	9,912
National and regional initiatives	1,550	-	1,550	1,979
Training and development	13,176	-	13,176	16,885
Events	20,293	-	20,293	31,683
	<u>44,451</u>	<u>-</u>	<u>44,451</u>	<u>60,459</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2014 (continued)

3 EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct costs £	Central support costs £	2014 Total £	2013 Total £
Payments to beneficiaries	1,372,595	77,218	1,449,813	1,392,810
National and regional initiatives	30,489	28,232	58,721	47,137
Training, development and care	46,459	19,077	65,536	56,577
Events	20,408	25,017	45,425	57,972
International missions	-	-	-	9,530
	<u>1,469,951</u>	<u>149,544</u>	<u>1,619,495</u>	<u>1,564,026</u>

Central support costs are analysed in note 4.

Within payments to beneficiaries (direct costs), institutional grants of £79,036 were paid to Navigator projects based in Europe, Africa and North America. The remaining payments to beneficiaries of £1,293,559 consisted of grants to individuals.

4 CENTRAL SUPPORT COSTS

	2014 £	2013 £
Costs relating to office staff	58,310	59,561
Premises and equipment	28,874	23,110
Fees, subscriptions and maintenance contracts	5,771	4,908
Communications, including communications staff	30,748	19,402
General administration costs	25,841	15,064
	<u>149,544</u>	<u>122,045</u>

Central support costs were divided on the basis of staff time. Communications costs were divided using the following percentages: National and regional initiatives 30%; Training, development and care 35%; Events 35%. All other office costs were divided as follows: Payments to beneficiaries 65%; National and regional initiatives 16%; Training, development and care 7%; Events 12%.

5 GOVERNANCE COSTS

	Unrestricted £	Restricted £	2014 Total £	2013 Total £
Audit fee	4,476	-	4,476	4,356
Trustee costs	2,092	-	2,092	2,884
Statutory and professional fees	529	-	529	1,023
	<u>7,097</u>	<u>-</u>	<u>7,097</u>	<u>8,263</u>

6 NET INCOME BEFORE TRANSFERS

This is stated after charging:

	2014 £	2013 £
Depreciation	1,241	656
Auditor's remuneration	4,476	4,356
	<u>5,717</u>	<u>5,012</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2014 (continued)

7 STAFF COSTS AND NUMBERS

	2014 £	2013 £
Salaries and wages	75,098	61,454
Employer's National Insurance contributions	5,134	5,776
Pension contributions	5,292	4,609
	<u>85,524</u>	<u>71,839</u>

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

The average number of full-time equivalent employees was three (2013: three).

8 FIXED ASSETS

	Freehold property £	Equipment £	Total £
Cost			
At 1 September 2013	51,803	10,862	62,665
Disposals	(51,803)	(4,562)	(56,365)
Additions	-	2,345	2,345
At 31 August 2014	<u>-</u>	<u>8,645</u>	<u>8,645</u>
Depreciation			
At 1 September 2013	-	8,896	8,896
Depreciation on disposals	-	(4,562)	(4,562)
Charge for the year	-	1,241	1,241
At 31 August 2014	<u>-</u>	<u>5,575</u>	<u>5,575</u>
Net book value			
At 31 August 2014	<u>-</u>	<u>3,070</u>	<u>3,070</u>
At 31 August 2013	51,803	1,966	53,769

During the year the Trustees disposed of a freehold property (49 Dorchester Avenue, Cardiff), with a profit after costs of £80,433, which has been included in other incoming resources.

9 PREPAYMENTS AND DEBTORS

	2014 £	2013 £
Prepayments	7,418	6,821
Debtors and accrued interest	39,123	53,423
	<u>46,541</u>	<u>60,244</u>

10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £	2013 £
Tax and National Insurance	1,951	2,049
Other creditors	1,204	21,739
Accruals	5,658	5,451
Amounts received in advance	130	175
	<u>8,943</u>	<u>29,414</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2014 (continued)

11 MOVEMENT IN FUNDS

		Balance at 1 Sept 2013	Incoming resources	Resources expended	Transfers	Balance at 31 Aug 2014
Note		£	£	£	£	£
UNRESTRICTED FUNDS						
General Fund		628,196	196,014	(256,580)	102,133	669,763
		628,196	196,014	(256,580)	102,133	669,763
RESTRICTED FUNDS						
Beneficiary Funds	(i)	124,809	1,451,677	(1,348,085)	(99,821)	128,580
Robinson Africa Fund	(ii)	140,588	2,328	(24,510)	-	118,406
Training and development						
Foundations for Ministry	(iii)	1,389	-	-	(1,389)	-
Connect	(iv)	465	500	-	(500)	465
Events						
Big Weekend	(v)	2,103	-	-	-	2,103
Other restricted gifts	(vi)	-	423	-	(423)	-
		269,354	1,454,928	(1,372,595)	(102,133)	249,554
TOTAL FUNDS		897,550	1,650,942	(1,629,175)	-	919,317

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

- **Administration charge transfers:** a levy on donations received transferred from various restricted funds to the General Fund.
- **Ministry transfers:** movement of funds from various restricted funds to the General Fund to contribute towards project expenditure in line with their restrictions.
- **General Fund transfers:** donations that in the past have been restricted and have been redirected by the donor to unrestricted funds.

	Unrestricted £	Restricted £	2014 Total £
Administration charge transfers	97,329	(97,329)	-
Ministry transfers	2,564	(2,564)	-
General Fund transfers	2,240	(2,240)	-
	102,133	(102,133)	-

- (i) **Beneficiary Funds** represent restricted donations to The Navigators for the support of individual self-employed Navigator representatives or their ministry funds.
- (ii) The **Robinson Africa Fund** is a restricted fund to receive a legacy left to The Navigators to be used for work in Africa.
- (iii) **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.
- (iv) **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.
- (v) **Big Weekend** is a fund to receive restricted donations towards Big Weekend conferences.
- (vi) **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.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2014 (continued)

12 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General Fund £	Restricted funds £	Total £
Tangible fixed assets	3,070	-	3,070
Net current assets	666,693	249,554	916,247
Total net assets at 31 August 2014	<u>669,763</u>	<u>249,554</u>	<u>919,317</u>

13 TRUSTEES' REMUNERATION

None of the Trustees received any remuneration in the year (2013: £nil).

Travel expenses of £1,266 (2013: £2,006) were reimbursed to five Trustees (2013: six).

14 COMMITMENTS UNDER OPERATING LEASES

At 31 August 2014 the charitable company had annual commitments under non-cancellable operating leases as follows:

	2014 £	2013 £
Operating leases which expire:		
Within one year	216	1,512
Within two to five years	11,004	11,820
Within more than five years	720	-
	<u>11,940</u>	<u>13,332</u>

15 RELATED PARTY TRANSACTIONS

There were no related party transactions during the year (2013: none).