



THE NAVIGATORS UK LIMITED

A Company Limited by Guarantee

Company no. 04429021

Charity Registered in England & Wales no. 01099148

Charity Registered in Scotland no. SC038484

ANNUAL REPORT AND ACCOUNTS

31 August 2018

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THE NAVIGATORS UK LIMITED

ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2018

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THE NAVIGATORS UK LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2018

The trustees present their annual report and audited financial statements of The Navigators UK Limited ('the Charity' or 'Navigators UK') for the year ended 31 August 2018. The trustees have adopted the provisions of the Statement of Recommended Practice applicable to charities, preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS102).

Chair's Report

Navigators UK is financially stable and has diversified support. Historically we have had significant unrestricted reserves and therefore have spent four years setting deficit budgets in order to invest in growing the ministry and meeting key needs. This has been a valuable investment and has reduced our unrestricted reserves closer to the midpoint between the minimum and maximum target levels. We would like to maintain our unrestricted reserves at this midpoint level. As the budget for 2018/19 will again be a deficit budget we are continuing low key fundraising in anticipation of a further reduction in unrestricted reserves. This has begun to bear fruit: we have received some gifts from trusts and a number of generous gifts from individuals.

We currently have 78 Navigator self-employed representatives and 25 volunteer Navigator associates. A good number of our representatives and associates are approaching retirement, which could raise ministry and leadership issues over the next few years.

The Scottish student ministries are stable and growing very positively. Over recent years new English student ministries have been started in Aston, Bournemouth, Cambridge and East Anglia, and some of our longer standing English student ministries are exploring new initiatives. Our church ministries are regaining their identity and momentum. The Second Half Living ministry is building a new team and continuing to develop materials and resources. The London House community has continued and is well established.

OBJECTIVES AND ACTIVITIES

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. 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.'

Our core values and vision have been identified and these provide the foundation for our strategy for ministry. Throughout our ministry we will continue our focus on

- knowing, loving and becoming like Christ
- the truth and sufficiency of the scriptures
- the transforming power of the gospel
- the leading and empowering of the Holy Spirit
- expectant faith and persevering prayer

Public Benefit

The trustees have had due regard to the Charity Commission's guidance on public benefit.

Fundraising Activity

The Charity's fundraising approach is based on building personal relationships with donors and potential donors, inspiring those who share our goals to want to partner in our work both financially and through prayer. Self-employed Navigator representatives are responsible for raising their own financial support; the Charity can provide them with information packs and fundraising materials to help them in this.

Fundraising to support central Charity costs is overseen by the National Fundraising Team, which comprises two trustees and four members of the National Leadership Team. Fundraising initiatives this year have included applications to grant-making trusts and information events put on for current supporters. The Charity does not use commercial fundraisers.

Supporters are thanked appropriately and their data is kept secure. We do not sell or share supporter data for marketing purposes. We have not received any complaints about our fundraising activity.

Key Strategies

The key strategies employed to achieve our main objectives for the public benefit are:

- To see people constantly growing in their practical knowledge of Jesus founded on what the Bible teaches so that their lives are being changed.
- To see this personal transformation having an impact on those around them so others are drawn into this same way of living out of personal encounters with God.
- To enable those who join this ministry to be trained both in greater depth of understanding and in ways of sharing their lives with others so they in turn would have a similar impact.

Activities

The Charity's principal activities to achieve our charitable objectives for the public benefit are:

- The support of self-employed Navigator representatives who are funded by donations made for their ministries. Within the UK these representatives are currently helping people to live out and pass on the Christian faith in a variety of contexts and situations, including university students, those in their early working life who have graduated from our student ministries, those beyond 50 years of age, those of different cultures living in the UK and church small groups and leaders. Some of our representatives do similar work in other countries, mostly in Europe but also in Africa, the US and Asia.
- National and regional initiatives that build on the work of individual representatives, including the development of new discipleship resources for use both within the Navigator movement and by individuals and churches, and the provision of short-term mission trips abroad.
- Initiatives for the training, development and care of Navigator representatives, including a graduate programme called Connect, and a Foundations for Ministry course for all new representatives.
- Events to connect and envision friends and supporters, and conferences for students and recent graduates.

ACHIEVEMENTS AND PERFORMANCE

Support and Development of Navigator Representatives

- Quadrant leaders worked to develop the representatives in their region, providing support and training. The South and Scottish quadrants also ran conferences for people involved with the Navigators now and in the past to encourage them in their ministries.
- A Missions Team provided care and oversight for those ministering overseas.
- A National Student Ministry Leader offered training for students and representatives involved in the student ministries. Two training weekends for emerging leaders were attended by around 35 people in Scotland and 30 people in England. Two new leaders are being trained to work alongside the National Student Ministry Leader.
- New representatives are offered financial support through a 'matched funding' scheme in their first two years, in which gifts from new donors are matched from central funds up to a limit of 25% of their budget in the first year and 12.5% in the second. This aims to provide support with their initial fundraising.
- The Foundations for Ministry course continues to provide focused training for new representatives. Three new representatives and two associates have joined the course this year. Extra days that were open to all representatives were added to two of the residentials to cover some of the burning issues of our day.
- Fourteen new graduates enrolled on our one-year Connect programme and four from the previous year underwent a second year of training and development.
- Our central support team continued to provide excellent standards of administration and financial control as well as improvements to our website and an increased emphasis on resource development and communications.
- Our annual weekend conference for all representatives was held in May 2018. This was addressed by representatives from our UK work around the theme of spiritual generations.

Ministry Size

At 31 August 2018 there were 25 associates and 78 representatives associated with Navigators UK, including two new representatives who started in September 2017. Of these, around 30 ministered to university students in nine UK cities, with additional ministry to international students in some of these as well as in two further cities.

Student Ministry

Approximately 425 students have been ministered to across a number of different cities. The aim has been to establish foundations in their lives that will not only stand the turmoil of 21st century life, but would put these students in a good place to support and help others in the same way. The student ministry in Southampton celebrated their 50th anniversary with a day conference attended by 150 people. The recounted stories demonstrated the positive impact of this ministry over the years and many reconnections were made.

Second Half Living Ministry

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. This year a number of groups have been piloting new materials, which will be made available nationally in the coming year.

Church-Based Ministry

Links have been established with a number of churches to assist them in discipling. Groups of practitioners have gathered in England and Scotland to share experiences of making disciples in a church context with a view to helping church leaders become more effective in this ministry. 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. In Stirling and Southampton, the Navigators partnered with local churches in the provision of year-long discipling training courses.

Overseas Mission

During 2017-18, ten representatives travelled abroad regularly to support and coach nationals in various countries and a further 12 lived overseas.

Six short-term mission trips to Europe and one to the Far East were organised in the past year, providing teambuilding and training in discipleship and outreach for those attending and ministering both practically and spiritually to those from other cultures.

Special Events

A five-day residential School of Discipling was organised in Scotland, with talks on the life of Christ by Jerram Barrs from Covenant Bible College in the USA. This was attended by around 90 students and young graduates.

The Big Weekend, a residential conference for students and recent graduates, was held in Blackpool and was attended by more than 150 people. This year it explored a biblical perspective on mental health issues such as anxiety and depression as experienced by many students.

FINANCIAL REVIEW

The balance sheet shows total net assets of £673,082, which is a decrease of £25,068 during 2017/18. The total unrestricted funds held is £511,239, which is a decrease of £17,368 during 2017/18. There are no funds in deficit in the accounts.

Income

Voluntary donations increased to £1,396,472, up by £25,718 (1.9%) compared with last year. Gift aid decreased to £209,309, a fall of £4,443 (2%) compared with last year. Most of our voluntary income is restricted by the donors to support the ministries of particular Navigator representatives or projects. An 8% administration charge was levied on restricted gifts to help fund the national office.

Income from charitable activities has increased in 2017/18 due to an increase in the number of programmes running.

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 £20,420 were made from the Robinson Africa Fund legacy to projects in Africa.

Unrestricted funds (including the 8% administration charge) were used to fund ministries and projects and to cover the central support costs of the national office and governance. These central support costs decreased to £194,214, a fall of £5,847 (2.9%) compared with last year.

Investment Policy

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

Reserve Policy

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

Our reserve policy is reviewed annually by the trustees. Monitoring of reserve levels, resultant budget setting and review of actual financial performance are reviewed by both the Finance Committee and the Board.

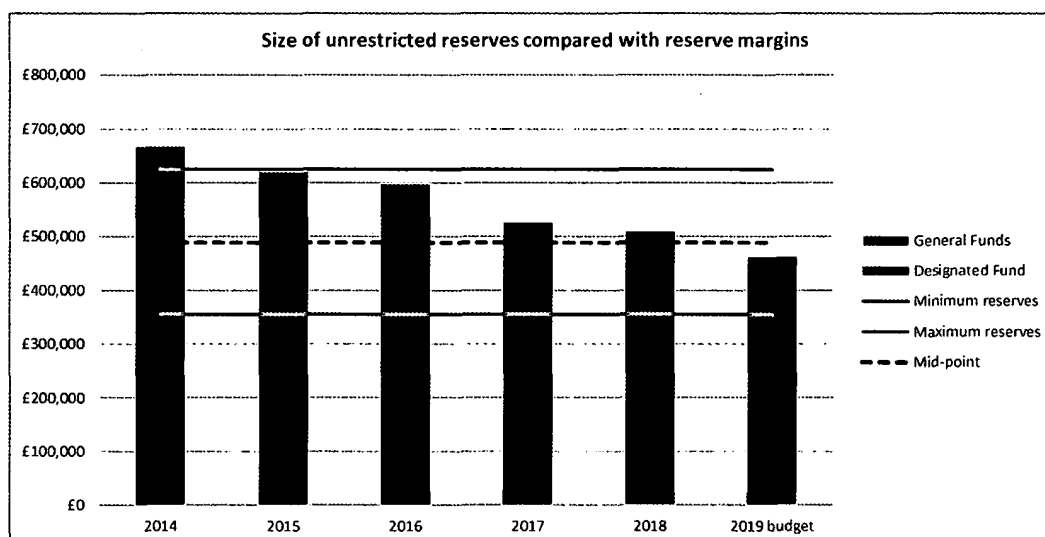
Key elements of our reserve policy:

- Unrestricted free reserves (defined as all unrestricted funds including designated funds but excluding fixed asset related reserves) are held to protect against a sudden and catastrophic fall in donations and/or related tax relief. This is in order to protect the work of our representatives and enable the Charity to continue operating in the short term whilst evaluating and exercising options for survival or cessation and is consistent with good practice.
- Both minimum and maximum reserve levels are calculated to be used when monitoring performance and setting future budgets. These calculations use varying percentages of next year's budgeted costs for a minimum and maximum time period plus provision for an emergency fund, as set out below.
- Target unrestricted free reserve levels are calculated on the basis of
 - 100% of administration staff costs for 9-12 months
 - 100% of communications and resources staff costs for 4-8 months
 - 90% of non-staff based central administrative costs for 9-12 months
 - 75% of central ministry costs for 6-9 months
 - 60% of average Navigators UK representative support for 3-6 months
 - Emergency support of staff/representatives in exceptional circumstances (minimum £25,000 and maximum £50,000)
- We seek to stay broadly around the midpoint level of this unrestricted free reserve range and to never drop below the minimum.

Report of the trustees for the year ended 31 August 2018 (continued)

Our current reserve position and projections:

- Calculated target reserves under this policy based on 2018/19 budgeted costs result in a maximum unrestricted reserve level of £624,064 and a minimum unrestricted reserve level of £355,456 (giving a midpoint target of £489,760).
- As unrestricted reserves (not including fixed assets) were £509,358 as at 31 August 2018, the trustees consider that the Charity can continue to reduce such reserves back towards the midpoint target and accordingly have again set a deficit budget of approximately £47,300 for 2018/19. This budget would result in an unrestricted reserves below the midpoint target, but includes a very conservative estimate of new giving. In 2017/18, gifts to unrestricted funds exceeded budget estimates by £17,000 and the budget for 2018/19 has been set in the light of this.

**PLANS FOR FUTURE PERIODS**

The student ministries in England are exploring new initiatives. One has developed a social action group to help local Somali children with an after-school reading club. This both serves the community and gives the opportunity to minister to those serving. A second is exploring the idea of holding listening groups, to give people space to express themselves.

Ministry in church environments continues to develop, with a number of practitioner groups sharing their experiences and practices. This year it is hoped to communicate their experiences to a wider group of church leaders.

The work of the Navigators is continuing to develop in Europe; Navigators UK, as one of the most developed ministries, is being increasingly involved in the European region through sharing expertise and mentoring.

The Big Weekend and School of Disciplemaking conferences continue to be significant opportunities for the development of our work as they seek to help participants bridge the gap between our culture and a Bible-based framework for life. Next year's Big Weekend will explore the subject of creativity.

Report of the trustees for the year ended 31 August 2018 (continued)

Navigator groups for graduates are exploring different ways to remain connected and to provide encouragement in their new environments. Various groups meet to share their experiences.

Second Half Living, the Navigator ministry to people aged 50+, has been expanding and will begin to produce materials this coming year.

The National Leadership Team is to delegate out the more administrative side of the care and development of representatives to a Care and Development Group. It is hoped that this will free up the National Leadership Team to focus more on encouraging initiatives within the Charity.

Increased national funding of around £50,000 per year will be sought in order to enable our current level of spending on national ministries to continue. In particular, we are looking to continue the training and development of new generations of labourers, our matched-funding project (which helps new representatives make the transition from paid employment to gift income support), the development of new materials and publications suitable for a changing culture, and the provision of vital administrative support across the UK to allow ministry initiatives to develop and flourish.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Navigators UK 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.

Appointment of Trustees

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.

Organisation

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, which met three times last year and currently comprises three trustees and the Country Leader, with responsibility for budget setting, monitoring of income and expenditure and the overview of the year-end accounts and audit. The Board has also established a Representative and Pastoral Committee, which met three times this year and currently comprises four trustees and a Rep; this committee deals with pastoral matters relating to representatives in order to better aid the fulfilment of trustee responsibility in these important areas.

During the year no trustees have resigned. We hope to add at least one trustee from Scotland. The Board works well together as it is, but we need to anticipate trustee turnover in the future as a normal course of events.

Report of the trustees for the year ended 31 August 2018 (continued)

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 the ministry and the needs and opportunities that 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 the various locations. In addition, trustees are encouraged to attend Navigator events and meetings around the UK to have contact with representatives and supporters.

Operational responsibility for the ministry of the Charity is entrusted to the Country Leader, supported by a National Leadership Team. The Country Leader and all the other Navigator representatives are self-employed and work in association with the Charity to provide ministry services to enable the Charity to fulfil its objectives and related activities. Such services are set out in formal ministry agreements, which are regularly reviewed. The Charity employs an Office Manager and Finance Manager and part-time administration support to provide central administration and financial control, and two other staff who have responsibility for managing and delivering the Charity's communications to representatives, supporters, trustees and the wider community and the production of resources.

The ministries of Navigators UK are organised on the basis of four geographical quadrants, plus supplemental roles related to international missions and certain national responsibilities to better meet ministry challenges and opportunities.

A National Fundraising Team comprising two trustees and four members of the National Leadership Team was established in 2015/16 with the objective of managing central fundraising initiatives to support specific ministries.

The trustees are thankful for the leadership of Navigators UK provided by the Country Leader Derek Leaf and his wife Eva. They are a deeply gifted couple and it has been a great encouragement to team with them over this year.

Navigators UK belongs to the European Navigator region (NavEurope) and is part of the worldwide Navigator movement, which has its international office in Colorado Springs, USA. The European Director, Bill Sparks, has established his office in our building in Southampton and we provide him with administrative support as well as office space. NavEurope is charged for these facilities and support. The aims and objectives of NavEurope are very similar to those of Navigators UK but they work in a wider European context.

Related Parties

None of the trustees receive remuneration or other benefit from their work with the Charity. The opportunity to declare any potential conflicts of interest is presented at the commencement of each Board meeting.

Risk Management

The trustees continue to identify the major risks to which the organisation is exposed and ensure that risk is managed to a satisfactory level. Risks are identified and reviewed during the regular programme of Board and Board Committee 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. Once identified, risks are formally documented within a Risk Register and, where appropriate, controls are implemented so as to seek to reduce the residual risk to an acceptable level commensurate with the Charity's resources.

The principal risks identified are loss of key office staff and current legislative uncertainties around the definitions of employment status.

In common with many charities with a small number of employees, the loss of key office staff through illness or resignation poses a risk to the day-to-day functioning of the Charity. The

Report of the trustees for the year ended 31 August 2018 (continued)

trustees have in place measures to detect emerging issues in good time but accept there will still be a residual risk.

In relation to employment status, the trustees are in the process of concluding a major review of all our internal documentation relating to procedures and policies affecting the self-employed Navigator representatives and our employed staff. This has been conducted to ensure that we accurately reflect the reality of these different relationships.

The introduction of the new General Data Protection Regulations in May 2018 resulted in considerable work on clarifying and publishing our Privacy Policy, communication with supporters to ensure consistency with our Privacy Policy and a review of personal data held for different purposes.

The trustees continue to ensure a regular focus on our reserve levels as an integral part of our budgeting process, especially now that the reserves have reduced to around the midpoint between the maximum and minimum reserve levels.

The Representative and Pastoral Committee also made good ongoing progress on improving the management of both our overseas travel risk and our safeguarding training/awareness programme.

Report of the trustees for the year ended 31 August 2018 (continued)

REFERENCE AND ADMINISTRATIVE INFORMATION

Charity Registered in England & Wales No.	01099148
Charity Registered in Scotland No.	SC038484
Company No.	04429021

Registered Office	Turner House 54 The Avenue Southampton SO17 1XQ
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Key Management Personnel

Key management personnel comprise the trustees and the Country Leader.

Trustees

The trustees, who are also directors for the purposes of Company law, who served during the year and since the year end are:

M Osborn (Chair)*†
D Brathwaite†
K Glazebrook†
S Mulholland
S Peters*
S Wroe*†

*Finance committee
†Representative and pastoral committee

Country Leader

D Leaf

Advisors**Bank**

NatWest plc
64 High Street
New Malden
Surrey
KT3 4HB

Solicitors

Anthony Collins Solicitors LLP
134 Edmund Street
Birmingham
B3 2ES

Auditors

Burton Sweet
The Clock Tower
5 Farleigh Court
Old Weston Road
Flax Bourton
Bristol
BS48 1UR

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the directors' report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of 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 judgments and accounting 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, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

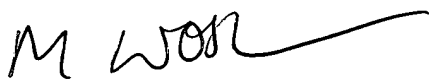
The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the Charities and Trustee Investment (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 within the Companies Act 2006.

Signed on behalf of the Board of Trustees



Martin Osborn – Chair

Date

21/11/18

Opinion

We have audited the financial statements of The Navigators UK Limited (the "Charity") for the year ended 31 August 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Charity's Trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 44(1)c of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the Charity's Trustees those matters we are required to state in 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's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 August 2018 and of its income, expenditure and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulation 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with international Standards in Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Independent Auditor's Report to the Trustees of The Navigators UK Limited (continued)**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If based, on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report the fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the directors' report) have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made;
- we have not obtained all the information and explanations necessary for the purposes of our audit; or
- 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.

Responsibilities of trustees

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

Independent Auditor's Report to the Trustees of The Navigators UK Limited (continued)

view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/apb/scope/private.cfm. This description forms part of our auditor's report.


Neil Kingston FCA (Senior Statutory Auditor)

For and on behalf of Burton Sweet Chartered Accountants and Statutory Auditor

The Clock Tower
5 Farleigh Court
Old Weston Road
Flax Bourton
Bristol BS48 1UR

Date: 20.11.18

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2018 (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

	Note	Unrestricted general funds £	Unrestricted designated funds £	Restricted funds £	2018 Total £	2017 Total £
Income from:						
Donations and legacies	1	82,653	-	1,541,558	1,624,211	1,584,506
Charitable activities	2	90,892	-	-	90,892	80,129
Other trading activities	3	2,886	-	-	2,886	3,356
Investments		904	-	95	999	1,199
TOTAL		177,335	-	1,541,653	1,718,988	1,669,190
Expenditure on:						
Charitable activities	4,5					
Payments to representatives and projects		98,475	10,222	1,410,091	1,518,788	1,555,538
National and regional initiatives		85,402	-	97	85,499	90,008
Training, development and care		77,381	-	-	77,381	96,710
Events		60,278	-	-	60,278	53,685
Raising funds		2,110	-	-	2,110	1,135
TOTAL		323,646	10,222	1,410,188	1,744,056	1,797,076
Net income/(expenditure)	6	(146,311)	(10,222)	131,465	(25,068)	(127,886)
Transfers between funds	11	131,451	7,714	(139,165)	-	-
Net movement in funds	11	(14,860)	(2,508)	(7,700)	(25,068)	(127,886)
RECONCILIATION OF FUNDS						
Total funds brought forward		501,565	27,042	169,543	698,150	826,036
Total funds carried forward	11	486,705	24,534	161,843	673,082	698,150

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.

Prior year fund comparatives are disclosed in note 17.

The notes on pages 17 to 24 form part of these financial statements.

BALANCE SHEET AS AT 31 AUGUST 2018

	Note	2018		2017	
		£	£	£	£
TANGIBLE FIXED ASSETS	8		1,881		3,325
CURRENT ASSETS					
Stock of literature and merchandise at cost		4,035		5,055	
Prepayments and debtors	9	35,923		41,784	
Savings account		150,000		150,000	
Cash at bank and in hand		498,233		509,820	
		<u>688,191</u>		<u>706,659</u>	
CURRENT LIABILITIES					
Creditors: amounts falling due within one year	10	16,990		11,834	
		<u>16,990</u>		<u>11,834</u>	
NET CURRENT ASSETS			671,201		694,825
TOTAL NET ASSETS			<u>673,082</u>		<u>698,150</u>
STATEMENT OF FUNDS	11				
Restricted funds			161,843		169,543
Unrestricted funds					
General funds			486,705		501,565
Designated funds			24,534		27,042
TOTAL FUNDS			<u>673,082</u>		<u>698,150</u>

Approved by the Trustees on 21/11/18 2018 and signed on their behalf by:

M Wosk

Martin Osborn
Chair of Trustees

The notes on pages 17 to 24 form part of these financial statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2018

	Note	2018 Total funds £	2017 Total funds £
OPERATIONAL CASH FLOWS			
Cash flows for operating activities			
Income from donations and legacies	19 (A1)	1,619,626	1,582,836
Costs of raising funds	19 (B2)	(2,110)	(1,135)
Income from other trading activities	19 (A3)	2,886	3,356
Net inflow for operating activities		1,620,402	1,585,057
Cash flows from operating activities			
Income from charitable activities	19 (A2)	91,974	79,287
Costs of charitable activities	19 (B1)	(1,724,962)	(1,810,149)
Net outflow from operating activities		(1,632,988)	(1,730,862)
Net inflow/(outflow) of operating activities		(12,586)	(145,805)
NON-OPERATIONAL CASH FLOWS			
Investing activities			
Interest from investments	19 (C1)	999	2,097
Costs of purchasing fixed assets	19 (C2)	-	(1,748)
Net inflow from investing activities		999	349
Net cash inflow/(outflow) for year	20	(11,587)	(145,456)

Charity law prohibits the use of net cash flows on any restricted fund to offset net cash outflows on any fund outside of its own purposes, except on special authority. In practice, this restriction has not had any effect on cash flows for the year.

The notes on pages 17 to 24 form part of these financial statements.

ACCOUNTING POLICIES FOR THE YEAR ENDED 31 AUGUST 2018

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 Charity is a public benefit entity. The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006, Financial Reporting Standard FRS102 and the Charities Statement of Recommended Practice FRS102 based thereon.

There are no material uncertainties related to events or conditions that cast significant doubt on the charity's ability to continue as a going concern.

b. Fund accounting

- Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the Charity. Unrestricted designated funds are unrestricted funds set aside 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. Income

All income is included in the Statement of Financial Activities when the Charity is entitled to it and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Income from donations and legacies 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.
- Income from investments 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 unrestricted general funds.

d. Expenditure

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.

- Expenditure related to raising funds comprises the costs associated with attracting voluntary income.
- Expenditure related to charitable activities comprises those costs incurred by the Charity in the delivery of its activities. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Central support costs are allocated to the different charitable activities on the basis of estimated time spent by the support staff. These estimates are reviewed annually.
- 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. Governance costs are included within support costs.

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 - 25% p.a. straight line

f. Stock

Stocks of literature and merchandise 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 2018

1 INCOME FROM DONATIONS AND LEGACIES

	Unrestricted general funds	Unrestricted designated funds	Restricted funds	2018 Total	2017 Total
	£	£	£	£	£
Donations	56,832	-	1,339,640	1,396,472	1,370,754
Legacies	18,430	-	-	18,430	-
Tax refunds	7,391	-	201,918	209,309	213,752
	<u>82,653</u>	<u>-</u>	<u>1,541,558</u>	<u>1,624,211</u>	<u>1,584,506</u>

2 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted general funds	Unrestricted designated funds	Restricted funds	2018 Total	2017 Total
	£	£	£	£	£
Administration subscriptions	9,865	-	-	9,865	9,020
National and regional initiatives	3,546	-	-	3,546	5,107
Training, development and care	29,598	-	-	29,598	28,967
Events	37,553	-	-	37,553	30,000
Provision of office support to European Navigator Region	10,330	-	-	10,330	7,035
	<u>90,892</u>	<u>-</u>	<u>-</u>	<u>90,892</u>	<u>80,129</u>

3 INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted general funds	Unrestricted designated funds	Restricted funds	2018 Total	2017 Total
	£	£	£	£	£
Rental income	2,886	-	-	2,886	3,356
	<u>2,886</u>	<u>-</u>	<u>-</u>	<u>2,886</u>	<u>3,356</u>

4 EXPENDITURE ON CHARITABLE ACTIVITIES AND RAISING FUNDS

	Direct costs	Central support costs	2018 Total	2017 Total
	£	£	£	£
Charitable activities				
Payments to representatives and projects	1,420,313	98,475	1,518,788	1,555,538
National and regional initiatives	22,407	63,092	85,499	90,008
Training, development and care	65,344	12,037	77,381	96,710
Events	40,451	19,827	60,278	53,685
Raising funds	<u>1,327</u>	<u>783</u>	<u>2,110</u>	<u>1,135</u>
	<u>1,548,515</u>	<u>194,214</u>	<u>1,744,056</u>	<u>1,797,076</u>

Central support costs are analysed in note 5.

Central support costs were divided on the basis of support staff time, with the split between charitable activities for each member of staff reflecting the particular activities they are involved with.

Within payments to representatives and projects (direct costs), institutional grants of £80,996 were paid to Navigator projects based in UK, Africa and North America. The remaining payments of £1,339,317 consisted of grants to individuals.

5 CENTRAL SUPPORT COSTS

	2018 £	2017 £
Costs relating to staff	115,775	111,767
Costs relating to premises	20,106	28,298
Administration, communications and other charity running costs	46,809	49,498
Costs relating to governance	<u>11,524</u>	<u>10,498</u>
	<u>194,214</u>	<u>200,061</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2018 (continued)

6 NET INCOME BEFORE TRANSFERS

This is stated after charging:

	<u>2018</u>	<u>2017</u>
	£	£
Depreciation	1,444	2,030
Auditor's remuneration	5,730	5,550

7 STAFF COSTS AND NUMBERS

	<u>2018</u>	<u>2017</u>
	£	£
Salaries and wages	99,499	92,783
Employer's national insurance contributions	5,511	4,999
Pension contributions	7,532	6,818
	<u>112,542</u>	<u>104,600</u>

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

The average number of employees was five (2017: five); this equates to a full-time equivalent of four (2017: four).

No employment benefits were paid to key management personnel (2017: none).

8 FIXED ASSETS

	<u>Equipment</u>	<u>Total</u>
	£	£
Cost		
At 1 September 2017	10,742	10,742
At 31 August 2018	<u>10,742</u>	<u>10,742</u>
Depreciation		
At 1 September 2017	7,417	7,417
Charge for the year	1,444	1,444
At 31 August 2018	<u>8,861</u>	<u>8,861</u>
Net book value		
At 31 August 2018	<u>1,881</u>	<u>1,881</u>
At 31 August 2017	<u>3,325</u>	<u>3,325</u>

9 PREPAYMENTS AND DEBTORS

	<u>2018</u>	<u>2017</u>
	£	£
Debtors re income from donations and legacies	23,023	18,438
Debtors re income from charitable activities	2,424	1,603
Debtors re income from investments	188	188
Prepayments re costs of charitable activities	10,288	21,555
	<u>35,923</u>	<u>41,784</u>

10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>2018</u>	<u>2017</u>
	£	£
Deferred income re income from charitable activities	2,003	100
Creditors/accruals re cost of charitable activities:		
Tax and national insurance	2,330	1,893
Other creditors	6,927	4,291
Accruals	5,730	5,550
	<u>16,990</u>	<u>11,834</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2018 (continued)

11 MOVEMENT IN FUNDS

	Note	At 1 Sept 2017 £	Income and gains £	Expenditure and losses £	Transfers between funds £	At 31 Aug 2018 £
UNRESTRICTED FUNDS						
General Funds		501,565	177,335	(323,646)	131,451	486,705
Libby Hinton Fund (designated)	(i)	24,610	-	(1,022)	-	23,588
Tithe Fund (designated)	(ii)	2,432	-	(9,200)	7,714	946
		528,607	177,335	(333,868)	139,165	511,239
RESTRICTED FUNDS						
Representative Funds	(iii)	86,355	1,520,315	(1,389,671)	(123,814)	93,185
Admin Fund	(iv)	-	9,886	-	(9,886)	-
Scottish Admin Fund	(v)	-	5,070	-	(1,387)	3,683
Robinson Africa Fund	(vi)	82,258	96	(20,420)	-	61,934
Second Half Living	(vii)	465	150	(97)	(237)	281
Connect	(viii)	465	5,500	-	(3,205)	2,760
Other restricted gifts	(ix)	-	636	-	(636)	-
		169,543	1,541,653	(1,410,188)	(139,165)	161,843
TOTAL FUNDS		698,150	1,718,988	(1,744,056)	-	673,082

- (i) **Libby Hinton Fund** holds part of a legacy that has been designated by the trustees for the provision of counselling, spiritual direction and retreats.
- (ii) **Tithe Fund** holds money designated by the trustees to be used as grants for projects and individuals outside of The Navigators UK Limited in line with the Charity's objectives.
- (iii) **Representative Funds** represent restricted donations to The Navigators UK Limited for the support of individual self-employed Navigator representatives or their ministry funds.
- (iv) **Admin Fund** is a fund to receive restricted donations for administration costs.
- (v) **Scottish Admin Fund** is a fund to receive restricted donations for administration costs associated with events and initiatives in Scotland.
- (vi) **Robinson Africa Fund** is a restricted fund comprising a legacy left to The Navigators UK Limited to be used for work in Africa.
- (vii) **Second Half Living** is a fund to receive restricted donations for Second Half Living initiatives.
- (viii) **Connect** is a fund to receive restricted donations for the Connect graduate training programme.
- (ix) **Other restricted gifts** represent small restricted donations for specific events or national initiatives.

Transfers shown are net movements between funds and consist of:

- **Transfer of designated funds:** movement of funds set aside by the trustees to be used as grants for projects and individuals outside of The Navigators UK Limited in line with the Charity's objectives from unrestricted general funds into a designated fund.
- **Administration charge transfers:** a levy on donations received transferred from various restricted funds to unrestricted general funds.
- **Ministry transfers:** movement of funds from various restricted funds to unrestricted general funds to contribute towards 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 general funds.

	Unrestricted general funds £	Unrestricted designated funds £	Restricted funds £	2018 Total £
Transfer of designated funds	(7,714)	7,714	-	-
Administration charge transfers	118,849	-	(118,849)	-
Ministry transfers	15,167	-	(15,167)	-
General Fund transfers	5,149	-	(5,149)	-
	<u>131,451</u>	<u>7,714</u>	<u>(139,165)</u>	<u>-</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2018 (continued)

12 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted general funds	Unrestricted designated funds	Restricted funds	2018 Total
	£	£	£	£
Tangible fixed assets	1,881	-	-	1,881
Net current assets	509,358	-	161,843	671,201
Total net assets at 31 August 2018	511,239	-	161,843	673,082

At 31 August 2017, total net assets were £698,150, of which £694,825 were net current assets held by unrestricted general funds (£525,282) and restricted funds (£169,543). The remaining £3,325 were tangible fixed assets held by unrestricted general funds.

13 COMMITMENTS UNDER OPERATING LEASES

At 31 August 2018 the charitable company had future minimum lease payments under non-cancellable operating leases for each of the following periods:

	2018 £	2017 £
Within one year	16,357	11,977
Within two to five years	20,018	2,020
More than five years	707	-
	37,082	13,997

Expenditure on the Statement of Financial Activities for the year ended 31 August 2018 relating to these leases was £12,762 (2017: £12,722).

14 TRUSTEES' REMUNERATION

None of the trustees received any remuneration in the year (2017: £nil).

Travel expenses of £527 (2017: £2,924) were reimbursed to four trustees (2017: four). Travel expenses of £645 (2017: £643) were waived by four trustees (2017: five).

15 DONATIONS FROM RELATED PARTIES

Aggregate donations (including tax refunds) received from trustees, key management personnel and their close family members was £27,285 (2017: £22,229).

16 RELATED PARTY TRANSACTIONS

Related party transactions during the year relate to the European Navigator regional organisation known as NavEurope, the charity Friends International and grants made to the self-employed representatives to further the purposes of the charity.

Martin Osborn is a trustee of both The Navigators UK Limited and NavEurope. The Navigators UK Limited paid an annual contribution of £16,761 (2017: £17,034) to NavEurope based on a percentage of donations received for people and projects based in Europe. The support staff of The Navigators UK Limited provide administrative support to NavEurope and NavEurope paid The Navigators UK Limited £10,330 (2017: £7,035) for this help. NavEurope use a room in the offices of The Navigators UK Limited and paid The Navigators UK Limited £2,886 (2017: £1,690) in rent.

Stephen Peters is a trustee of both The Navigators UK Limited and Friends International. The Navigators UK Limited made a gift of £nil (2017: £850) from the designated Tithe Fund to Friends International for the support of an individual.

Stephen Peters is a trustee of The Navigators UK Limited and is a close family member of Timothy Peters, a self-employed representative of the charity. Grants made to Timothy Peters to further the purposes of the charity were £16,582 (2017: £17,384).

Derek Leaf is the Country Leader of The Navigators UK Limited, a role that is considered to be key management personnel, and is a close family member of Eva Leaf. As described in the Trustees Report, the Country Leader operates as a self-employed representative of the charity and as such grants totalling £22,190 were made to the Derek and Eva Leaf to further the purposes of the charity (2017: £29,094).

In addition, Derek Leaf is a close family member of both Hannah and Zanel Leaf, self-employed representatives of the charity. Grants made to Hannah Leaf to further the purposes of the charity were £8,208 (2017: £nil) and grants made to Zanel Leaf to further the purposes of the charity were £5,839 (2017: £5,400).

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2018 (continued)

17 PRIOR YEAR FUND COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted general funds £	Unrestricted designated funds £	Restricted funds £	2017 Total £
Income from:				
Donations and legacies	60,016	-	1,524,490	1,584,506
Charitable activities	80,120	-	-	80,129
Other trading activities	3,356	-	-	3,356
Investments	734	-	465	1,199
TOTAL	144,235	-	1,524,955	1,669,190
Expenditure on:				
Charitable activities				
Payments to representatives and projects	104,570	3,940	1,447,028	1,555,538
National and regional initiatives	90,008	-	-	90,008
Training, development and care	96,710	-	-	96,710
Events	53,685	-	-	53,685
Raising funds	1,135	-	-	1,135
TOTAL	346,108	3,940	1,447,028	1,797,076
Net income/(expenditure)	(201,873)	(3,940)	77,927	(127,886)
Transfers between funds	127,553	5,982	(133,535)	-
Net movement in funds	(74,320)	2,042	(55,608)	(127,886)
RECONCILIATION OF FUNDS				
Total funds brought forward	575,885	25,000	225,151	826,036
Total funds carried forward	501,565	27,042	169,543	698,150

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2018 (continued)

18 PRIOR YEAR COMPARATIVES FOR THE MOVEMENT IN FUNDS

	Note	At 1 Sept 2016 £	Income and gains £	Expenditure and losses £	Transfers between funds £	At 31 Aug 2017 £
UNRESTRICTED FUNDS						
General Funds		575,885	144,235	(346,108)	127,553	501,565
Libby Hinton Fund (designated)	(i)	25,000	-	(390)	-	24,610
Tithe Fund (designated)	(ii)	-	-	(3,550)	5,982	2,432
		<u>600,885</u>	<u>144,235</u>	<u>(350,048)</u>	<u>133,535</u>	<u>528,607</u>
RESTRICTED FUNDS						
Representative Funds	(iii)	134,503	1,499,844	(1,438,974)	(109,018)	86,355
Admin Fund	(iv)	-	16,150	-	(16,150)	-
Scottish Admin Fund	(v)	-	7,170	-	(7,170)	-
Robinson Africa Fund	(vi)	90,183	129	(8,054)	-	82,258
Second Half Living	(vii)	-	500	-	(35)	465
Connect	(viii)	465	500	-	(500)	465
Other restricted gifts	(ix)	-	662	-	(662)	-
		<u>225,151</u>	<u>1,524,955</u>	<u>(1,447,028)</u>	<u>(133,535)</u>	<u>169,543</u>
TOTAL FUNDS		<u>826,036</u>	<u>1,669,190</u>	<u>(1,797,076)</u>	<u>-</u>	<u>698,150</u>

- (i) **Libby Hinton Fund** holds part of a legacy that has been designated by the trustees for the provision of counselling, spiritual direction and retreats.
- (ii) **Tithe Fund** holds money designated by the trustees to be used as grants for projects and individuals outside of The Navigators UK Limited in line with the Charity's objectives.
- (iii) **Representative Funds** represent restricted donations to The Navigators UK Limited for the support of individual self-employed Navigator representatives or their ministry funds.
- (iv) **Admin Fund** is a fund to receive restricted donations for administration costs.
- (v) **Scottish Admin Fund** is a fund to receive restricted donations for administration costs associated with events and initiatives in Scotland.
- (vi) **Robinson Africa Fund** is a restricted fund comprising a legacy left to The Navigators UK Limited to be used for work in Africa.
- (vii) **Second Half Living** is a fund to receive restricted donations for Second Half Living initiatives.
- (viii) **Connect** is a fund to receive restricted donations for the Connect graduate training programme.
- (ix) **Other restricted gifts** represent small restricted donations for specific events or national initiatives.

Transfers shown are net movements between funds and consist of:

- **Transfer of designated funds:** movement of funds set aside by the trustees to be used as grants for projects and individuals outside of The Navigators UK Limited in line with the Charity's objectives from unrestricted general funds into a designated fund.
- **Administration charge transfers:** a levy on donations received transferred from various restricted funds to unrestricted general funds.
- **Ministry transfers:** movement of funds from various restricted funds to unrestricted general funds to contribute towards 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 general funds.

	Unrestricted general funds £	Unrestricted designated funds £	Restricted funds £	2017 Total £
Transfer of designated funds	(5,982)	5,982	-	-
Administration charge transfers	103,073	-	(103,073)	-
Ministry transfers	24,401	-	(24,401)	-
General Fund transfers	6,061	-	(6,061)	-
	<u>127,553</u>	<u>5,982</u>	<u>(133,535)</u>	<u>-</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2018 (continued)

19 RECONCILIATION OF THE STATEMENT OF FINANCIAL ACTIVITIES

	Statement of Financial Activities	2018				2017	
		Debtors & Prepayments	Creditors & Accruals	Stock levels	Cash flow	Cash flow	
		£	£	£	£	£	
A1	Income from donations and legacies (Increase)/decrease in debtors	1,624,211 (4,585)				1,619,626 1,582,836	
A2	Income from charitable activities (Increase)/decrease in debtors Increase/(decrease) in deferred income	90,892 (821)		1,900			
			1,900		91,074	79,287	
A3	Income from other trading activities	2,886				2,886 3,356	
B1	Costs of charitable activities Depreciation eliminated (Increase)/decrease in prepayments Increase/(decrease) in creditors and accruals (Increase)/decrease in stocks	(1,741,946) 1,444 11,267		3,253			
					1,020	(1,724,962) (1,810,149)	
B2	Costs of raising funds	(2,110)				(2,110) (1,135)	
C1	Interest from investments	999				999 2,097	
C2	Costs of purchasing fixed assets					- (1,748)	
	Balance sheet movements		5,861	5,156	1,020	(11,587) (145,456)	

20 ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS

	2018 £	2017 £	Change £
Savings account	150,000	150,000	-
Cash at bank and in hand	498,233	509,820	(11,587)
	648,233	659,820	(11,587)

	2017 £	2016 £	Change £
Savings account	150,000	150,000	-
Cash at bank and in hand	509,820	655,276	(145,456)
Cash	659,820	805,276	(145,456)