

Registration number 3502355
Charity number 1068899

New Springs UK
Company Limited by Guarantee
Report and financial statements
for the year ended 31 December 2006

WEDNESDAY



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31/10/2007
COMPANIES HOUSE

**New Springs UK
Company Limited by Guarantee**

Company information

Directors and Trustees	Prof C Anumba Pastor D Holmes Pastor D M Richards Mr K C Tripp Rev P C Weaver Mr R Atkinson
Company number	3502355
Charity number	1068899
Company Secretary	Pastor H M S Weaver
Registered office	2a Granby Street Loughborough LE11 3DU
Accountants	Rogers Spencer Newstead House Pelham Road Nottingham NG5 1AP
Bankers	Barclays Bank PLC 2 Bishops Meadow Loughborough LE11 5RB
Solicitors	S F Marshall Robinsons Solicitors Friar Gate Derby DE1 1FL

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**New Springs UK
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**Directors' report
For the year ended 31 December 2006**

The trustees, who are also directors of the charity for the purposes of the Companies Act, submit their annual report and the financial statements for the year ended 31 December 2006. 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.

Principal activity

The principal activities of the company are to advance the Christian faith and also to promote general community activities.

Review of the year

2006 was yet another very busy year in the life of New Springs UK. Both nationally and locally the work has continued and progressed in various ways.

The Directors and Trustees convened on a formal basis on at least 7 occasions throughout the year. The Trustees' primary role has been to oversee the whole of New Springs UK ensuring the organisation's primary objectives are fulfilled as well as ensuring the legal and financial aspects of the organisation are kept in order. This includes all aspects of the work both nationally and locally. The Elders, however, oversee the spiritual aspect of the local church and they met on a weekly basis throughout 2006.

Nationally

The New Springs national ministry continued throughout the year and saw a significant development. A major week-long residential conference was held with 20 ministers and full-time Christian workers in attendance from all around the UK. Those present were drawn from the New Springs network i.e. the group of Christian leaders that New Springs UK supports and ministers to on a regular basis. The conference was unique and ground-breaking in its structure and content in the Christian arena. The theme was Personal Development and was specifically designed to address the total well-being of the individual in ministry and to stretch them as individuals. The conference was given the overall title 'The Quest' and made significant impact upon the delegates.

The staging of this ground-breaking conference achieved one of our major goals for the year as outlined in the 2005 annual report.

In addition to this our national network of ministers met on six other occasions for one-day conferences. The CEO/National Director met on 30 other occasions with individuals in the ministry on a consultation and pastoral basis, as well as speaking in various congregations up and down the country to bring encouragement.

The National Director also met together with the General Superintendents of the three largest Pentecostal denominations in the UK to discuss possible national, joint ventures.

New Springs UK has continued providing an effective Free Church/New Church Chaplain to the University of Loughborough on a part-time basis reaching out to the vast student body and faculty.

Locally

Locally there has been much activity. The local work has not seen as much growth as we anticipated, but nevertheless the overall work we believe has advanced. As well as the regular, weekly services and activities much other important work was undertaken and accomplished.

- We appointed a new local Senior Pastor to the staff which was in line with one of our primary goals as set out in the 2005 annual report.
- We staged our 9th Annual Gala Banquet celebrating 9 years of ministry as an organisation. 150 people were present over two nights. Some would argue it was the most successful banquet we have ever hosted.
- We staged a major Easter advertising radio campaign during the month of April with over 300 adverts being broadcast throughout the month. The campaign was designed to educate people in the town and borough concerning the real meaning of Easter.
- New Springs UK initiated a bi-monthly Churches Community Forum within the town creating an opportunity for networking, shared knowledge, envisioning and joint lobbying with the other churches in the town/borough who manage social and community initiatives. This has proved to be effective and invaluable.
- We hosted an effective drug awareness event involving Teen Challenge – the nationally recognised alcohol, drug and dependent rehabilitation organisation.

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**Directors' report
For the year ended 31 December 2006**

- We initiated a Bible School called The Ministry Academy This is more of an academic study course which is akin to subjects covered in the first year of theological college The curriculum for the year comprised of 4 x 6 week module courses, addressing various theological subjects Each course had between 10 – 35 mature students in attendance
- We are pleased to say during 2006 we formed a Christian Businessman's Network which met on a monthly basis Again the initiative was designed for networking purposes, support and education for young entrepreneurs It is an initiative that we would wish to develop in the future
- One of the activities within New Springs which has seen significant growth is our young teens youth programme for those between the ages of 12 – 16 Each Friday evening sees up to 70 young people meeting together and being educated in user-friendly ways in the Christian faith and practical and relevant life issues, etc

Objectives

In conclusion the Board of Directors/Trustees of New Springs UK believes throughout the year of 2006 we have done all we can to fulfil the charity's primary objectives as set out in our Memorandum and Articles document

The future

2007 sees New Springs UK celebrating its 10 Year Anniversary We will celebrate this milestone with a special celebration weekend in October consisting of a major Gala Banquet and special services of thanksgiving We will aggressively pursue acquiring our own building/facilities to house both the national and local work The organisation will concentrate on building the charity's financial base The CEO will concentrate more working nationally with the network whilst the newly appointed Senior Pastor will concentrate on local affairs A primary goal will be to re-establish and re-emphasise our vision in its totality with the local congregation throughout the year We will provide a new monthly news and vision magazine outlining the mission and the vision We will undertake a substantial study on the subject of Women's Ministry and Governance within the church

We look forward to continuing and advancing the organisation in 2007

Reserves

The Directors have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets ('the free reserves') held by the charity should be between 3 and 6 months of the resources expended, which equates to £52,000 to £105,000 in general funds At this level, the Board feel that they would be able to continue the current activities of the charity in the event of a significant drop in income At present there are no free reserves and therefore the target level has not been reached The Board are considering ways in which additional unrestricted funds can be raised

Risk review

The Directors have embarked upon a review of the major risks to which the charity is exposed and systems have been established to mitigate those risks Significant external risks to income are continually reviewed to ensure that sufficient funds are in place Internal risks are minimised by the implementation of procedures for authorisation of all transactions to ensure consistent quality of delivery for all operational aspects of the charity These procedures are periodically reviewed to ensure that they still meet the needs of the charity

Recruitment and appointment of Directors

The Directors are working on a policy at the present time and will be formalising this shortly

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**Directors' report
For the year ended 31 December 2006**

Trustee induction and training

New Directors will become familiar with the practical work of the charity after reading the Annual Report and will have received a copy of the Memorandum and Articles and the latest financial reports. They will also meet with the Chief Executive and existing Directors as well as being offered opportunities to visit with the staff team.

Additionally, they are invited to attend induction training which covers the following areas

- The Policy and Practice Guide
- Training and Support
- Roles and Responsibilities
- Knowledge
- Communication
- Best Practice Guides

All Directors are then signposted to any other relevant training throughout the year

Directors and their interests

The directors who served during the year and their interests in the company are as stated below

Prof C Anumba
Pastor D Holmes
Pastor D M Richards
Mr K C Tripp
Rev P C Weaver
Mr R Atkinson

Members' Guarantees

Members of the company guarantee to contribute an amount not exceeding £10 each to the assets of the company in the event of winding up. The total number of such guarantees at 31 December 2006 was 6 (2005 – 6)

This report is prepared within the special provisions of Part VII of the Companies Act 1985 relating to small companies

Approval

This report was approved by the board on 24/9/07 taking into account the exemption available to small companies

Sign on behalf of the Directors/Trustees



K Tripp
Chairman

New Springs UK

Company Limited by Guarantee

Accountants report to the Board of Directors / Trustees on the unaudited accounts of

New Springs UK

In accordance with the engagement letter dated 19 April 2006 and in order to assist you to fulfil your duties under the Companies Act 1985 and Charities Act 1993, we have compiled the financial statements of the Chanty which comprise the Statement of Financial Activities, the Balance Sheet and the related notes from the accounting records and information and explanations you have given to us

This report is made to the Chanty's Board of Directors / Trustees, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Chanty's Board of Directors / Trustees, that we have done so, and state those matters that we have agreed to state to them in this 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 Chanty and the Chanty's Board of Directors / Trustees, as a body, for our work, or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet for the year as at 31st December 2006 your duty to ensure that the charity has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the Chanty is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.



Rogers Spencer
Chartered Certified Accountants

23-10-07

Newstead House
Pelham Road
Nottingham
NG5 1AP

**New Springs UK
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**Statement of Financial Activities
for the year ended 31 December 2006**

	Notes	Unrestricted Funds 2006 £	Restricted Funds 2006 £	Total Funds 2006 £	Total Funds 2005 £
Incoming Resources					
Donations and gifts	2	107,313	-	107,313	132,191
Fees		35,729	-	35,729	37,270
Grants – Leicestershire County Council		-	-	-	140
Activities to further the charity's objectives					
Church activities		<u>45,461</u>	<u>2,400</u>	<u>47,861</u>	<u>38,731</u>
Total incoming resources		<u>188,503</u>	<u>2,400</u>	<u>190,903</u>	<u>208,332</u>
Resources Expended					
Grants payable		16,853	-	16,853	32,375
Charitable expenditure	3	<u>199,962</u>	<u>2,400</u>	<u>202,362</u>	<u>215,775</u>
Total resources expended		<u>216,815</u>	<u>2,400</u>	<u>219,215</u>	<u>248,150</u>
Net (Outgoing)/Incoming resources before transfers		(28,312)	-	(28,312)	(39,818)
Transfer between funds		<u>(3,261)</u>	<u>3,261</u>	<u>-</u>	<u>-</u>
Net movement in funds		(31,573)	3,261	(28,312)	(39,818)
Total funds at 1 January 2006		<u>38,092</u>	<u>11,204</u>	<u>49,296</u>	<u>89,114</u>
Total funds at 31 December 2006		<u>6,519</u>	<u>14,465</u>	<u>20,984</u>	<u>49,296</u>

**New Springs UK
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**Balance sheet
as at 31 December 2006**

	Notes	2006 £	2005 £
Fixed assets			
Tangible fixed assets	7	<u>12,526</u>	<u>34,856</u>
Current assets			
Debtors	8	16,254	15,782
Cash at bank and in hand		<u>9,237</u>	<u>15,751</u>
		25,491	31,533
Creditors amounts falling due within one year	9	<u>17,033</u>	<u>17,093</u>
Net current assets		<u>8,458</u>	<u>14,440</u>
Net assets		<u>20,984</u>	<u>49,296</u>
Reserves			
Unrestricted Funds	12	6,519	38,092
Restricted Funds	12	<u>14,465</u>	<u>11,204</u>
Total Funds		<u>20,984</u>	<u>49,296</u>

The notes on pages 8 to 11 form an integral part of these financial statements

New Springs UK
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Balance sheet (continued)
as at 31 December 2006

Director's statement required by section 249A

The directors are satisfied that the company was entitled to exemption under subsection (1) of section 249A of the Companies Act 1985 and that members have not required an audit in accordance with subsection (2) of section 249B

The directors acknowledge their responsibilities for

- i ensuring that the company keeps accounting records which comply with section 221, and
- ii preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

The financial statements were approved by the Board on 24/1/07 and signed on its behalf by



K Trapp
Director

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**Notes to the financial statements
For the year ended 31 December 2006**

1. Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005) and the Statement of Recommended Practice Accounting and reporting by Charities issued in March 2005

1.2 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

1.3 Incoming resources

All incoming resources are included in the SOFA when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the Charity being notified of an impending distribution or the legacy being received

Gifts in kind for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value of the Charity where this can be quantified and a third part is bearing the cost. No amounts are included in the financial statements for services donated by volunteers

1.4 Resources expended

- Expenditure is recognised on an accruals basis as liabilities are incurred and includes irrecoverable VAT
- Charitable expenditure comprises those costs incurred by the company in the delivery of its activities and services for its beneficiaries
- Governance costs represent those costs associated with meeting the constitutional and statutory requirements of the company

1.5 Tangible fixed assets and depreciation

Tangible fixed assets costing more than £1,000 are capitalised and included at cost including any incidental expenses of acquisition

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight line basis over their expected useful economic lives of five years

1.6 Grants

All grants and voluntary income are accounted for gross when receivable as long as they are capable of financial measurement

Grants including grants for the purchase of fixed assets are recognised in full in the Statement of Financial Activities in the year in which they are receivable

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**Notes to the financial statements
For the year ended 31 December 2006**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2006 £	Total Funds 2005 £
2. Donations and Gifts				
Tithes, offering and other donations	86,159	-	86,159	105,636
Gift aid receivable	<u>21,154</u>	<u>-</u>	<u>21,154</u>	<u>26,555</u>
	<u>107,313</u>	<u>-</u>	<u>107,313</u>	<u>132,191</u>
3. Resources Expended				
Ministry support and expenses	42,482	-	42,482	41,108
Staff salaries	61,364	-	61,364	46,325
Charitable gifts	2,920	2,400	5,320	13,304
Premises and equipment costs	25,978	-	25,978	27,730
Management and administration	32,890	-	32,890	32,687
Events and activities	11,998	-	11,998	30,755
Audio Visual expenses	-	-	-	3,821
Depreciation	<u>22,330</u>	<u>-</u>	<u>22,330</u>	<u>20,045</u>
	<u>199,962</u>	<u>2,400</u>	<u>202,362</u>	<u>215,775</u>
		2006		2005
4 a) Operating surplus		£		£
The operating surplus is stated after charging				
Accountants' fees		2,443		2,436
Depreciation		<u>22,330</u>		<u>20,045</u>
b) Interest payable and similar charges				
Overdraft interest and bank charges		<u>188</u>		<u>160</u>

5 Transactions with Trustees

During the year, two of the Trustees were also engaged in Ministry and in accordance with the Trust Deed, which states that Trustees can be paid remuneration provided they are in the minority, their remuneration was as follows

	2006 £	2005 £
Pastor D Holmes	3,300	-
Rev P C Weaver	34,201	36,459
- Support	3,881	3,649
- Pension	<u>41,382</u>	<u>40,108</u>

The pension costs stated above are in respect of a defined contribution scheme. No contributions were outstanding at the end of the year.

Travelling expenses totalling £1,013 were paid to Trustees during the year (2005 £1,098)

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6 Staff costs

Staff costs were as follows	2006 £	2005 £
Salaries and wages	58,498	44,645
Social security costs	<u>2,866</u>	<u>1,680</u>
	<u>61,364</u>	<u>46,325</u>

No employee received remuneration of more than £60,000

The average number of employees during the year, calculated on the basis of full time equivalents was 9 (2005 8)

7 Tangible fixed assets	Audio Visual £	PA Equipment £	Office Equipment £	Motor Vehicle £	Total £
Cost (or valuation)					
At 1 January 2006	13,000	34,692	63,957	3,150	114,799
Additions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2006	<u>13,000</u>	<u>34,692</u>	<u>63,957</u>	<u>3,150</u>	<u>114,799</u>
Depreciation					
At 1 January 2006	2,600	26,973	47,220	3,150	79,943
Charge for the year	<u>2,600</u>	<u>6,938</u>	<u>12,792</u>	<u>-</u>	<u>22,330</u>
At 31 December 2006	<u>5,200</u>	<u>33,911</u>	<u>60,012</u>	<u>3,150</u>	<u>102,273</u>
Net Book Value					
At 31 December 2006	<u>7,800</u>	<u>781</u>	<u>3,945</u>	<u>-</u>	<u>12,526</u>
At 31 December 2005	<u>10,400</u>	<u>7,719</u>	<u>16,737</u>	<u>-</u>	<u>34,856</u>

8 Debtors	2006 £	2005 £
Income tax recoverable	2,984	1,841
Prepaid expenses	13,270	12,741
Other debtors	<u>-</u>	<u>1,200</u>
	<u>16,254</u>	<u>15,782</u>

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**Notes to the financial statements
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9	Creditors amounts falling due within one year	2006 £	2005 £
	Trade creditors	-	157
	Accruals	2,033	1,936
	Audio visual equipment loan account	<u>15,000</u>	<u>15,000</u>
		<u>17,033</u>	<u>17,093</u>

10.	Analysis of net assets between funds	Unrestricted funds £	Restricted funds £	Total £
	Tangible fixed assets	12,526	-	12,526
	Net current assets	<u>(6,007)</u>	<u>14,465</u>	<u>8,458</u>
		<u>6,519</u>	<u>14,465</u>	<u>20,984</u>

11 Share Capital

The company is limited by guarantee and therefore has no share capital. The directors of the company are considered to be members for Companies Act purposes and their liability is limited to £10 each.

12. Funds

	Balance at 31/12/05 £	Movement in Resources			Balance at 31/12/06 £
		Incoming £	Outgoing £	Transfers £	
Missions fund	-	2,400	(2,400)	-	-
Childcare funds	(3,261)	-	-	3,261	-
No mortgage fund	14,465	-	-	-	14,465
Unrestricted general fund	<u>38,092</u>	<u>188,503</u>	<u>(216,815)</u>	<u>(3,261)</u>	<u>6,519</u>
	<u>49,296</u>	<u>190,903</u>	<u>(219,215)</u>	<u>-</u>	<u>20,984</u>

The charity is seeking to purchase its own building and the 'No Mortgage Fund' will be used once the purchase is made.

13 Related party transactions

All of the trustees/directors of this charity are also trustees/directors of Proactive Community Endeavours Ltd (PACE)

Grants of £16,853 (2005 £32,375) were given to PACE during the year. Also during the year rents of £8,000 (2005 £8,000) were charged to PACE and expenses of £9,347 (2005 £3,601) were recharged.