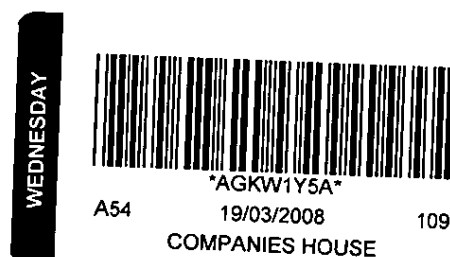


Contemplative Fire

Trustees' Report and Financial Statements

For the year ended

31 May 2007



Charity No. 1106392
Company Registration No. 5141218

CONTEMPLATIVE FIRE

Trustees' Report and Financial Statements for the year ended 31 May 2007

Trustees' Annual Report For the year ended 31 May 2007

The Trustees present their report and the financial statements of Contemplative Fire for the year ended 31 May 2007

Reference and administrative details

The Trustees of the charity, who are also directors of the company, have held office since 1 June 2006, as follows

Philip D Rodenck
Jean M B Gell
Antony Ayton
Mark Holland

The principle address of the charity and the registered office of the company is the offices of Contemplative Fire at The Old Smithy, Hawridge Common, Chesham, HP5 2UQ

The charity is registered under the charity number 1106392 and the company is incorporated with the company registration number 5141218

The Trustees have made the following professional appointment

Banker Abbey National plc, Business Banking Centre, PO Box 126, Newport, Gwent, NP19 7UP

The following key senior member of staff is responsible for the day-to-day management of the charity

Revd Philip Roderick Executive Director

Structure, Governance and Management

Status and History

Contemplative Fire is a registered charity, and a company limited by guarantee, not having share capital. Every member undertakes to contribute an amount not exceeding £1 to the assets of the charity in the event if the charity being wound-up during the period of membership, or within one year thereafter

Contemplative Fire was originally set up in May 2004, to

- a) advance the Christian religion, and
- b) advance the education of the public on matters concerning the preservation, conservation and protection of the environment and the prudent use of natural resources

It was incorporated on 28 May 2004 and became a charity on 21 October 2004

Contemplative Fire is governed by the rules and regulations set down in its company Memorandum and Articles of Association as last updated on 28 May 2004

Organisational Structure

The overall strategic direction of the charity is determined by the Trustees who have developed a strategic plan for the charity, to be implemented by the executive director and the staff of the charity

The Trustees meet quarterly. All meetings are minuted and all major strategic decisions are voted on, with a simple majority being required to pass a resolution

Authority for day to day operational matters is delegated by the Trustees to the executive director

The charity employs 2 full time members of staff. In addition to the executive director (who is full time), there is a full time administrative staff member

Method of Recruitment, Appointment, Election, Induction and Training of Trustees

Recruitment

Trustees are selected from amongst the members of the Charity. Existing Trustees meet all candidates and assess their suitability for appointment

Appointment and election

Following a probation period, a Trustee's appointment is ratified by the Trustees in general meeting

Induction and training

The charity recognizes the need for on-going training and all Trustees are encouraged to develop their skills and expertise

Risk and corporate governance matters

The trustees have examined the major strategic, business and operational risks which the charity faces and seek to minimize the effects of risk on the members of the charity. The Trustees as a body are responsible for risk management and corporate governance matters

Trustees' responsibilities in the preparation of financial statements

The provisions of charity and company law require the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of the affairs of the charity as at the balance sheet date, and of the incoming resources and application of resources, including income and expenditure, for that period. In preparing those financial statements, the Trustees are required to

- a select suitable accounting policies and then apply them consistently,
- b make judgments and estimates that are reasonable and prudent,
- c prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate

The trustees are responsible for maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the requirements of the Charities Act 1993 and the Companies Act 1985 to 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

Auditors

For the year to 31 May 2007 the charity is entitled to exemption from the requirement to have an audit under the provisions of section 249A(2) of the Companies Act 1965 and no notice has been deposited with the charity under section 249B(2) of that Act requiring an audit to be carried out

Objectives and activities

Charitable objectives

The charitable objectives for which the charity was established are as follows

- A) To advance the Christian Religion, and
- B) To advance the education of the public on matters concerning the preservation, conservation and protection of the environment and the prudent use of natural resources

Charitable activities

In pursuance of its overall goals, the charity undertakes the following activities

- *Contemplative Gatherings* – Gatherings for contemplative communion have been held in 4 locations. Further locations are being planned,
- *Pilgrimage to Now/Here* – Contemplative walks, known as Pilgrimages to Now/Here, are held in 2 locations
- *Local groups* – Local groups have been set up in 8 locations. Further Local groups are planned,
- *Training courses* – bi-monthly training days, entitled "Living the Mystery" have been developed and are held in Thame. This course is now into its second phase, comprising 6 sessions each for the first and second years,
- *Around the Hearth* – Course material comprising 5 sessions for use by emerging Local Communities has been developed. Around the Hearth sessions have been run in 8 locations to date. More are planned,
- *Focaliser Training* – 2 training programs, Level 1 (small groups) and Level 2 (large groups) have been developed and a total of 24 potential Local Community leaders are undergoing training,
- *Annual retreat* – An annual retreat is held for members
- *Community booklet* – Travelling Light, Dwelling Deep - a booklet detailing the Contemplative Fire Community lifestyle and commitment has been published,
- *Greenbelt* – Contemplative Fire has attended the Greenbelt Christian Arts Festival for the last 2 years and has led contemplative worship as a part of the programme of events taking place, along with a stand in the resources exhibition
- *The executive director* has traveled extensively, visiting senior clergy to pave the way and seek authorization for the establishment of Contemplative Fire in new areas. As a part of his educational outreach he has led a number of workshops and events, publicising the work of Contemplative Fire. As Associate Missioner for the Fresh Expressions movement, he has been involved in seeding the Contemplative and Catholic Round Table at Lambeth Palace

Indicators, milestones and benchmarks

During the last year there has been a significant increase in activity within Contemplative Fire. A residential retreat has been conducted. In addition a number of regular activities are held, including Gatherings for Contemplative Communion (held monthly in St Albans and Wiggington), the bi-monthly Pilgrimage to Now/here (which takes place in the delightful Hermes Estate near Henley on Thames) and a bi-monthly training course entitled "Living the Mystery"

There are now over 70 Companions on the Way within Contemplative Fire. Local Communities are being formed in several locations, including West Sussex, Amersham and Cheltenham. The future development of the charity has been considered at length by the Trustees and a strategy has been developed and adopted by the Trustees

Contemplative Fire now employs one full time and one part time member of staff. Philip Roderick became an employee from 1 January 2007 (Jo Rowbotham ceased to be an employee on 31 December 2007)

Over the next year, the charity will continue to develop Local Communities as the means of expanding its membership and offering fellowship to all those looking to explore the Christian contemplative tradition

Grant making policy

The charity offers bursaries towards the cost of attending certain events such as the annual retreat. The need for financial assistance is identified in the first instance by the Executive Director, whose decision is then ratified by the Trustees

Relationships with related parties

Contemplative Fire does not have any related parties. However, Philip Roderick is Director of The Quiet Garden Trust, a charity registered in England. There are no joint activities between the charities and the Trustees do not consider the charities to be related parties

Representation on other bodies

Contemplative Fire is recognised as a Fresh Expression of Church by the Church of England. Philip Roderick is an authorized Fresh Expressions Associate Missioner. Contemplative Fire is an autonomous entity and it is not under the jurisdiction of the Fresh Expressions movement

Achievements and performance

Activities and events

Over 70 "Traveling Companions", or Members, have now joined the Contemplative Fire Community. This is creating the core community from which the charity can develop and grow to fulfill its stated objectives. In addition to the Members, there are generally 50 attending the "Living the Mystery" training days, 100 attending the Contemplative Gatherings and a similar number attending Pilgrimages to Now/Here

There are 8 Local groups in existence each with around 6 to 15 attendees

Financial Review

Financial Results of Activities and Events

Approximately 50% of the charity's income comes from regular donations from members. Donated accommodation – office and home for Rev Philip Roderick – has been included at a combined value of £19,800. Tax recoverable under Gift Aid is just over £10,000. Income arising from various events such as Living the Mystery is £13,760. For the last three years the Diocese of Oxford has contributed £10,000 per year. 2007 was the last year. Bank interest of £1,750 was also received in the year.

Our biggest single cost is salaries, £50,960 in the year under review. During the year Contemplative Fire had three paid employees, Jill Roderick was employed as a full time office administrator and Jo Rowbotham was employed 2 days per week as a Local Community facilitator (Jo ceased to be an employee on 31 December 2007). Philip Roderick had very generously agreed to waive any whilst the charity is still starting up. He started to receive a salary from 1 January 2007.

Other significant items of expenditure include the cost of donated accommodation, being the £19,800 referred to above, and a little over £3,700 travel and subsistence costs incurred by Philip Roderick and Jo Rowbotham. Costs of putting on events was a little over £4,000, whilst office administration costs were just over £10,000.

Overall Contemplative Fire had surplus income over expenditure of £8,206 (down from £25,682 last year), but it should be emphasized that this is entirely because Philip Roderick did not receive a salary for the complete year. Any surplus going forwards is likely to be significantly lower.

Grant making

As noted above, Contemplative Fire has set up a small bursary fund, into which members are invited to contribute. The fund is used to subsidise attendees who would otherwise be unable to attend events. No bursary grants were made in the year under review.

Reserves policy

The Trustees 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 6 and 12 months of the resources expended, which equates to approximately £80,000 on current expenditure levels, in general funds. At this level the trustees feel that they would be able to continue the current activities of the charity in the event of a significant drop in funding. It would obviously be necessary to consider how the funding would be replaced or activities changed.

The Trustees now feel that they have achieved an appropriate level of reserves and accordingly from 1 January 2007, Philip Roderick has received a salary for his role as executive director of the charity.

Investments policy

Due to its relatively small size, the Trustees do not consider it appropriate for Contemplative Fire to hold investments. Instead, all surplus funds are held in an interest bearing bank account with the Abbey National Bank plc.

Plans for future periods

Future strategy

Contemplative Fire is committed to creating and nurturing an intentional community of members, each following the contemplative way of life and exploring and developing their life as Christian contemplatives in all aspects of their lives. To this end Local Communities are being founded and that process will continue. Local Community leaders will be trained and authorised by the central staff or "core team" of the charity. They will be supported by regional leaders. In this way it is hoped to further the stated aims of Contemplative Fire.

Contemplative Fire is still reliant on the support of the Oxford Diocese for the accommodation provided for Philip Roderick. The position regarding the accommodation remains unclear. The Trustees are committed to the spiritual nurture and growth of the members, from whom future funding will be necessary.

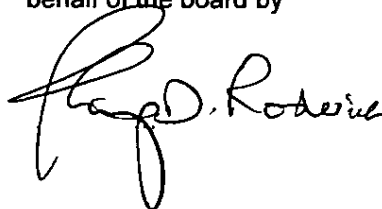
Impact of activities and events

Over the coming year further Around the Hearth events will be held, with a view to birthing additional Local Communities. As these communities are nurtured into full existence so, it is hoped, the income of the charity will rise. This increase in income will be necessary to meet the full operating costs of Contemplative Fire now that the support of Oxford Diocese has come to an end and as a salary is paid to the executive director.

Funds held as custodian

Although the charity retains restricted funds to deal with incoming resources that are earmarked for a particular purpose by donors, sponsors and other funders, Contemplative Fire does not hold any funds as custodian for any third party.

This report was approved by the trustees on 13 March 2008, and was issued for and on behalf of the board by

 Philip Roderick Director

CONTEMPLATIVE FIRE

Company number 5141218 Registered charity 1106392

Statement of Financial Activities for the year ended 31 May 2007

	Notes	Unrestricted funds £	Restricted funds £	Year ended 31 May 2007 Total £	Unrestricted funds £	Restricted funds £	Year ended 31 May 2006 Total £
Incoming resources							
Incoming resources from generated funds							
Voluntary income	2a	84,538	0	84,538	76,242	525	76,767
Activities for generating funds		0	0	0	0	0	0
Investment income	2b	1,750	0	1,750	1,311	0	1,311
Incoming resources from charitable activities							
Other incoming resources	2c	14,848	0	14,848	14,480	0	14,480
Total incoming resources		101,136	0	101,136	92,033	525	92,558
Resources expended							
Costs of generating funds							
Costs of generating voluntary income		0	0	0	0	0	0
Charitable activities	3	92,930	0	92,930	66,876	0	66,876
Governance costs		0	0	0	0	0	0
Other resources expended		0	0	0	0	0	0
Total resources expended		92,930	0	92,930	66,876	0	66,876
Net incoming/outgoing resources before transfers		8,206	0	8,206	25,157	525	25,682
Transfers							
Gross transfers between funds		0	0	0	0	0	0
Net incoming resources before other recognised gains and losses		8,206	0	8,206	25,157	525	25,682
Other recognised gains/losses							
Gains on revaluation of fixed assets for charity's own use							
Gains/losses on investment assets							
Net movement in funds		8,206	0	8,206	25,157	525	25,682
Reconciliation of funds							
Total funds brought forward		60,881	525	61,406	35,724	0	35,724
Total funds carried forward		69,087	525	69,612	60,881	525	61,406

The statement of financial activities includes all gains and losses recognised in the year

All incoming resources and resources expended derive from continuing activities

The notes on pages 8 to 10 form part of these accounts

CONTEMPLATIVE FIRE

Company number 5141218 Registered charity 1106392

Balance Sheet

	Notes	Year ended 31 May 2007 Total £	Year ended 31 May 2006 Total £
Fixed assets			
Tangible assets	6	245	490
Current assets			
Debtors	7	17956	8 162
Cash at bank and in hand		71813	60,564
		<u>89,769</u>	<u>68,726</u>
Liabilities			
Creditors amounts falling within one year	8	<u>20,402</u>	<u>7,810</u>
Net current assets		<u>69,367</u>	<u>60,916</u>
Total assets less current liabilities		<u>69,612</u>	<u>61,406</u>
The funds of the charity			
Restricted income funds		525	525
Unrestricted income funds		<u>69,087</u>	<u>60 881</u>
		<u>69,612</u>	<u>61,406</u>

For the year to 31 May 2007 the charity is entitled to exemption from the requirement to have an audit under the provisions of section 249A(2) of the Companies Act 1985 and no notice has been deposited with the charity under section 249B(2) of that Act requiring an audit to be carried out

The trustees acknowledge their responsibilities for

- ensuring the company keeps accounting records which comply with section 221 CA 1985 and
- preparing financial statements which give a true and fair view of the state of affairs of the charity at the end of the financial period of its incoming resources and applications of resources for that period in accordance with the requirements of section 226 CA 1985 and which otherwise comply with the requirements of that Act relating to accounts so far as they are applicable to the charity

The trustees have taken advantage of the Companies Act 1985 in not having these accounts audited under Section 249A(1) (total exemption)

Approved by the Trustees on 13th March 2008 and signed on their behalf by

Trustee



The notes on pages 8 to 10 form part of these accounts

CONTEMPLATIVE FIRE

Company number 5141218 Registered charity 1106392

Notes forming part of the financial statements for the period ended 31 May 2007

1. Principal accounting policies

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2000), the Companies Act 1985 and Financial Reporting Standards for Smaller Enterprises

All income and expenditure is recorded on an accruals basis

Funds Accounting

Unrestricted funds are funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been restricted for other purposes

Designated funds are unrestricted funds earmarked by the trustees for particular purposes

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes

Incoming resources

These are included in the Statement of Financial Activities (SOFA) when the charity becomes entitled to the donation or other source of income, any conditions for receipt are met, the trustees are reasonably certain the income will be received and the value can be reliably measured

The value of voluntary help received is not included in these financial statements

Gifts in kind

The value of accommodation provided free of charge for the use of the charity is included in these financial statements at its estimated value

Resources Expended and Liabilities

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with use of the resources

Generally liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure

Fixed Assets and Depreciation

Fixed assets are stated at cost. Depreciation is provided at rates calculated to write-off the cost of each asset over its expected useful life. The following rate has been used

Computer Equipment	33 3% pa straight line
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CONTEMPLATIVE FIRE

Company number: 5141218 Registered charity 1106392

Notes forming part of the financial statements for the period ended 31 May 2007

	Unrestricted funds £	Restricted funds £	Year ended 31 May 2007 Total £	Unrestricted funds £	Restricted funds £	Year ended 31 May 2006 Total £
2 Incoming Resources						
a Voluntary income						
Donations	54,944		54,944	48,280	525	48,805
Donated accommodation	19,800	0	19,800	19,800	0	19,800
Tax recoverable on donations eligible for Gift Aid	9,794	0	9,794	8,162	0	8,162
	84,538	0	84,538	76,242	525	76,767
b Investment income						
Interest receivable	1,750	0	1,750	1,311	0	1,311
	1,750	0	1,750	1,311	0	1,311
c Incoming resources from charitable activities						
Events	14,848	0	14,848	14,480	0	14,480
	14,848	0	14,848	14,480	0	14,480
3 Resources Expended						
Charitable activities						
Activities of worship and training	3,585	0	3,585	2,863	0	2,863
Salaries and accommodation costs	89,345	0	89,345	64,013	0	64,013
	92,930	0	92,930	66,876	0	66,876

	Period ended 31 May 2007	Period ended 31 May 2006
Employees		
Salaries	£ 47,048	£ 26,394
Employer's NI	£ 3,912	£ 2,613
Total	£ 50,960	£ 29,007

During the year the charity had two paid employees. No employee received remuneration at a rate exceeding £50,000 pa.

Trustees and related parties

The following payments were made to re-imburse out-of-pocket expenses incurred by trustees:

Number of trustees who were paid expenses	1
Total amount paid for re-imbursement of expenses paid on behalf of the charity	£6,326

Mr P Roderick received a salary of £ during the year.
Mrs Jill Roderick received a salary of £ during the year.

CONTEMPLATIVE FIRE

Company number: 5141218 Registered charity 1108392

Notes forming part of the financial statements for the period ended 31 May 2007

6 Fixed Assets

£

Cost

Brought forward

650

Additions

112

Carried forward

762

Depreciation

Brought forward

18

Charge for the period

254

Carried forward

272

Net Book Value 31 May 2007

490

7 Debtors and Prepayments

Amounts falling due within one year

Tax recoverable on gift aid donations

17,956

8,162

17,956

8,162

8 Creditors and Accruals

Amounts falling due within one year

Creditors

19,272

1,396

Accruals

1,130

4,504

Deposits for retreat

0

1,850

20,402

7,810