

CONTEMPLATIVE FIRE

Trustees' Report and Financial Statements for the year ended 31 May 2006

The Trustees present their report and the financial statements of Contemplative Fire for the year ended 31 May 2006

Reference and administrative details

The Trustees of the charity, who are also directors of the company, have held office since 1 June 2005, as follows

Philip D Roderick

Jean M B Gell

Antony Ayton

Sheila Newman

Mark Holland

(appointed 21 July 2005, resigned 24 November 2005)

(appointed 24 November 2005)

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 of 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

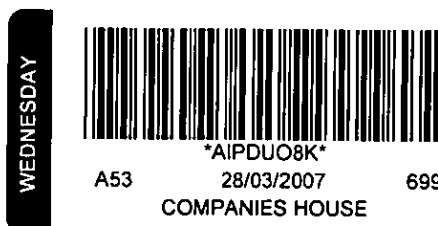
It was incorporated on 28 May 2004 and became a charity on 21 October 2004

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 strategic planning and direction of the charity is developed and implemented by the executive director and staff, with the authorisation of the Trustees of the charity

The Trustees meet 3 – 4 times a year. 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, who is also a Trustee and who by permission of the Charity Commissioners, from 1 Jan 2007 receives remuneration

The charity depends upon both paid and volunteer staff for its day to day operations. As at May 06, it employed 1 full time (administrative) member of staff and 1 part time member of training development and support staff. The executive director (who is full time) was unsalaried until 1 January 07

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

Recruitment and Appointment

Trustees are selected by invitation, ideally from within the Contemplative Fire community. They are chosen to bring an appropriate spread of experience and skills to the direction of the charity. Existing Trustees meet candidates and assess their suitability for appointment.

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 are encouraged to examine 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 and the executive director are jointly 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 in business.

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. 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.

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 promotes the contemplative Christian tradition, via the development and support of the Contemplative Fire community

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 at Wiggington until Oct 06, Dorchester Abbey until December 06, and now at Hemel Hempstead and Hambledon, with regional gatherings at the planning stage). There is also the bi-monthly Pilgrimage to Now/here (which takes place in the Hermes Estate near Henley on Thames) and the bi-monthly training course entitled "Living the Mystery".

At May 06, there were 35 travelling companions within Contemplative Fire, at March 07 this figure stands at 50. Local communities have formed in several locations, including Bucks / Herts, Sussex, and Gloucestershire. The future development of the charity is being carefully considered, and a strategy developed, by the Trustees and the executive director.

As at May 06, CF employed 1 full time (administrative) member of staff and 1 part time member of training development and support staff, as well as considerable support from volunteer staff. The full time executive director received a salary from 1 January 07.

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 by the Executive Director.

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 authorised by the Diocese of Oxford 'Cutting Edge Ministries' Board, and is a Fresh Expression of Church by the Church of England. Philip Roderick is an authorised 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

At May 06, there were 35 travelling companions within the Contemplative Fire community, at March 07 this figure stands at 50. 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 60+ attending the "Living the Mystery" training days, approx 50 attending each Contemplative Gathering and approx 20 attending Pilgrimages to Now/Here.

In May 06 there were 5 Local Communities in existence, each with around 10 to 15 attendees.

Financial Review

Financial Results of Activities and Events

As at year end 2005-6 (May 31st), 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 £8,000. Income arising from various events such as Living the Mystery, is £14,480. The Diocese of Oxford also contributes £10,000 per year. This support will finish in 2007. Bank interest of £1,311 was also received in the year.

Our biggest single cost is salaries, £29,007 in the year under review. During the year ending 31.5.06, Contemplative Fire had two 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 and staff support person. Philip Roderick did not receive a salary during the year. He very generously agreed to waive any remuneration for a second year running, whilst the charity was still in start-up.

Other significant items of expenditure include the cost of donated accommodation, being the £19,800 referred to above, and a little over £9,000 travel and subsistence costs incurred by Philip Roderick and Jo Rowbotham. Costs of putting on events was a little under £3,000, whilst office administration costs were just under £6,000.

Overall Contemplative Fire had surplus income over expenditure of £25,682 (down from £35,724 last year), but it should be emphasized that this is entirely because Philip Roderick did not receive a salary.

Grant making

Community members on one occasion (the 2005 retreat) contributed to an ad hoc bursary fund. 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 £60,000 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. Equal emphasis is given to the call of the 'whole', an integral Christian rhythm of life based around prayer, study and action, and commitment to a local community. 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 – both for the initial "seed funding" referred to above and for the accommodation provided for Philip Roderick. The position regarding the accommodation is unclear and the remainder of the funding will cease during 2007. The Trustees are committed to the spiritual nurture and growth of the members, from whom future funding will be necessary.

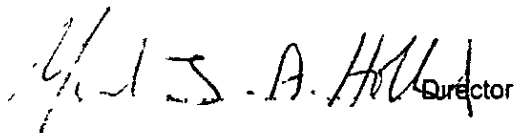
Impact of activities and events

Over the coming year further Around the Hearth events will be held, with a view to birthing additional Local Communities, as well as further events intended to strengthen relationship with 'the whole' – the wider organisation and, beyond that, the great Church. 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 once the support of Oxford Diocese comes 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 9 March 2007, and was issued for and on behalf of the board by


Mark Holland

CONTEMPLATIVE FIRE

Company number 5141218 Registered charity 1106392

Statement of Financial Activities for the year ended 31 May 2006

	Notes	Unrestricted funds £	Restricted funds £	Year ended 31 May 2006 Total £	Unrestricted funds £	Restricted funds £	Period ended 31 May 2005 Total £
Incoming resources							
Incoming resources from generated funds							
Voluntary income	2a	76,242	525	76,767	65,499	0	65,499
Activities for generating funds		0	0	0	0	0	0
Investment income	2b	1,311	0	1,311	290	0	290
Incoming resources from charitable activities							
Other incoming resources	2c	14,480	0	14,480	2,025	0	2,025
		0	0	0	0	0	0
Total incoming resources		92,033	525	92,558	67,814	0	67,814
Resources expended							
Costs of generating funds							
Costs of generating voluntary income		0	0	0	0	0	0
Charitable activities	3	66,876	0	66,876	32,090	0	32,090
Governance costs		0	0	0	0	0	0
Other resources expended		0	0	0	0	0	0
Total resources expended		66,876	0	66,876	32,090	0	32,090
Net incoming/outgoing resources before transfers		25,157	525	25,682	35,724	0	35,724
Transfers							
Gross transfers between funds		0	0	0	0	0	0
Net incoming resources before other recognised gains and losses		25,157	525	25,682	35,724	0	35,724
Other recognised gains/losses							
Gains on revaluation of fixed assets for charity's own use							
Gains/losses on investment assets							
Net movement in funds		25,157	525	25,682	35,724	0	35,724
Reconciliation of funds							
Total funds brought forward		35,724	0	35,724	0	0	0
Total funds carried forward		60,881	525	61,406	35,724	0	35,724

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 2006 Total £	Period ended 31 May 2005 Total £
Fixed assets			
Tangible assets	6	490	632
Current assets			
Debtors	7	8,162	4,621
Cash at bank and in hand		60,564	35,614
		<u>68,726</u>	<u>40,235</u>
Liabilities			
Creditors amounts falling within one year	8	7,810	5,142
Net current assets		<u>60,916</u>	<u>35,093</u>
Total assets less current liabilities		<u>61,406</u>	<u>35,725</u>
The funds of the charity			
Restricted income funds		525	0
Unrestricted income funds		60,881	35,724
		<u>61,406</u>	<u>35,724</u>

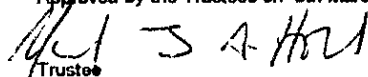
For the year to 31 May 2006 the charity is entitled to exemption from the requirement to have an audit under the provisions of section 249A(2) of the Companies Act 1985 and no notice has been deposited with the charity under section 249B(2) of that Act requiring an audit to be carried out.

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 8th March 2007 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 2005

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 2005), 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 1105392

Notes forming part of the financial statements for the period ended 31 May 2006

	Unrestricted funds £	Restricted funds £	Year ended 31 May 2006 Total £	Unrestricted funds £	Restricted funds £	Period ended 31 May 2005 Total £
2 Incoming Resources						
a Voluntary income						
Donations	48,280	525	48,805	41,078	0	41,078
Donated accommodation	19,800	0	19,800	19,800	0	19,800
Tax recoverable on donations eligible for Gift Aid	8,162	0	8,162	4,621	0	4,621
	<u>76,242</u>	<u>525</u>	<u>76,767</u>	<u>65,499</u>	<u>0</u>	<u>65,499</u>
b Investment income						
Interest receivable	1,311	0	1,311	290	0	290
	<u>1,311</u>	<u>0</u>	<u>1,311</u>	<u>290</u>	<u>0</u>	<u>290</u>
c Incoming resources from charitable activities						
Events	14,480	0	14,480	2,025	0	2,025
	<u>14,480</u>	<u>0</u>	<u>14,480</u>	<u>2,025</u>	<u>0</u>	<u>2,025</u>
3 Resources Expended						
Charitable activities						
Activities of worship and training	2,863	0	2,863	1,517	0	1,517
Salaries and accommodation costs	64,013	0	64,013	30,573	0	30,573
	<u>66,876</u>	<u>0</u>	<u>66,876</u>	<u>32,090</u>	<u>0</u>	<u>32,090</u>

	Period ended 31 May 2006	Period ended 31 May 2005
Employees		
Salaries	£ 26,394	£ 1,000
Employer's NI	£ 2,613	£ 33
Total	£ 29,007	£ 1,033

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	1
Total amount paid for re-imbursment of expenses paid on behalf of the charity	£6,326	£534

No remuneration or other benefits have been paid or are payable to any trustee of the charity in the year to 31 May 2006.
Mrs Jill Roderick received a salary of £19,708 during the year.

CONTEMPLATIVE FIRE

Company number: 5141218 Registered charity 1106392

Notes forming part of the financial statements for the period ended 31 May 2008

	£	£
6 Fixed Assets		
Cost		0
Brought forward	650	
Additions	112	650
Carried forward	<u>762</u>	<u>650</u>
Depreciation		0
Brought forward	18	
Charge for the period	254	18
Carried forward	<u>272</u>	<u>18</u>
Net Book Value 31 May 2008	<u>490</u>	<u>632</u>
7 Debtors and Prepayments		
Amounts falling due within one year		
Tax recoverable on gift aid donations	8 162	4 621
	<u>8 162</u>	<u>4 621</u>
8 Creditors and Accruals		
Amounts falling due within one year		
Creditors	1,396	700
Accruals	4 584	4,442
Deposits for retreat	1,850	0
	<u>7 810</u>	<u>5,142</u>