

**SPRING HARVEST**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2009**

**Company Number: 2724859**  
**Charity Number: 1014540**



**Jacob Cavenagh & Skeet**  
**5 Robin Hood Lane**  
**Sutton**  
**Surrey**  
**SM1 2SW**

**SPRING HARVEST**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2009**

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## SPRING HARVEST

### REPORT OF THE COUNCIL OF MANAGEMENT

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The members of the Council of Management have pleasure in submitting their report together with the audited financial statements for the year ended 31 December 2009

#### Reference & Administrative Details

<u>Charity Number</u>	1014540
<u>Company Number</u>	2724859
<u>Principal/ Registered Office</u>	14 Horsted Square Uckfield East Sussex TN22 1QG
<u>Solicitors</u>	Anthony Collins Solicitors LLP 134 Edmund Street Birmingham B3 2ES
<u>Auditors</u>	Jacob Cavenagh & Skeet 5 Robin Hood Lane Sutton Surrey SM1 2SW

## **Spring Harvest**

### **REPORT OF THE COUNCIL OF MANAGEMENT**

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#### **Council members**

The council members who held office during the year were as follows

D N Blackwood  
L Bowring  
P A Broadbent  
S J Chalke  
S M Clifford  
I C Coffey  
R C Dearnley  
S J Gaukroger

A Kennedy  
P C Meadows  
O L Obunge  
D Pope  
J S Richardson  
R E Valerio  
M M White

Each of the council members is also a member of the company. Further details of the constitution of the company are given in note 7 to the financial statements.

#### **Objectives & Activities**

The objects of the charity are -

- the promotion of the Christian religion
- the proclamation of the Gospel of Jesus Christ within the British Isles and overseas
- the provision and organisation of educational and evangelistic conferences

#### **Activities**

The charity was dormant during the year, having transferred all of its activities to Memralife Group on 31 December 2008.

#### **Structure, Governance & Management**

##### Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 31 05 1992 and registered as a charity on 1 October 1992. The company is governed by its Memorandum and Articles of Association. There are currently 19 members of the company of whom 15 serve on the Council of Management.

##### Recruitment and Appointment of Trustees

The directors of the company known as members of the Council of Management are also charity trustees. Under the requirements of the Memorandum and Articles of Association the members of the Council of Management are appointed and they may be re-appointed to serve for a maximum period of five years with a year's break before they may be re-elected. The Council of Management may from time to time waive the year's break when continuity is deemed to be in the best interests of the charity.

When there is a vacancy, all members of the Council are involved in nominating and appointing new trustees, having regard to the skills, experience or representation which the Council has identified as required.

The Council of Management is satisfied that both the legal and financial needs of the charity are well served by its current professional advisors.

A register of interests is held on each of the trustees.

## SPRING HARVEST

### REPORT OF THE COUNCIL OF MANAGEMENT

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#### Plans for Future Periods

On 31 December 2008 the assets of Spring Harvest were transferred to a new charitable company called *eternalfx*, whose name changed in January 2008 to *Memralife Group*, which was formed from the merger of Spring Harvest and International Christian Communications

The Trustees of Spring Harvest took this decision believing that the objects of Spring Harvest would be better achieved by the merger than by continuing as a separate entity, aware of the advantages to be had from being a larger organisation, mindful of the many years of co-operation between Spring Harvest and ICC and of the synergies which could be explored by bringing the two together, and having regard to the findings of due diligence and the advice of the charity's solicitors and auditors

The objects of Memralife Group reflect the objects of both Spring Harvest and ICC and the vision of Spring Harvest as expressed by the Council of Management over the years. Three members of the Spring Harvest Council of Management and two members of the Spring Harvest staff were appointed to the Board of Memralife Group

#### Disclosure of information to auditors

To the knowledge and belief of the council members, there is no relevant information that the charity's auditors are not aware of, and the council members have taken all the steps necessary to ensure the council members are aware of any relevant information, and to establish that the charity's auditors are aware of the information

#### Auditors

The auditors, Jacob Cavenagh & Skeet, are deemed to be re-appointed in accordance with Section 386 of the Companies Act 1985 by virtue of an elective resolution passed by the members

ON BEHALF OF THE COUNCIL OF MANAGEMENT



L Bowering  
Chair



P Broadbent  
Vice-Chair

8 September 2010

**Registered office**  
14 Horsted Square  
Uckfield  
East Sussex  
TN22 1QG

## SPRING HARVEST

### COUNCIL MEMBERS' RESPONSIBILITIES

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The council members (who are also directors of Spring Harvest for the purposes of company law) are responsible for preparing the Report of the Council of Management and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law requires the council members 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 incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the council members are required to

- select suitable accounting policies and apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgements and 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,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue its operations

The council members are responsible for keeping proper accounting records which 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. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention of fraud and other irregularities.

The council members who held office at the date of approval of this Annual report as set out above each confirm that

- so far as they were aware, there is no relevant audit information (information required by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- as directors of the company, they have taken all the steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

ON BEHALF OF THE COUNCIL OF MANAGEMENT

  
**L Bowling**  
Chair

  
**P Broadbent**  
Vice-Chair

8 September 2010

# REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SPRING HARVEST

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We have audited the financial statements of Spring Harvest for the year ended 31st December 2009 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 495 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law we do not accept or assume responsibility to anyone other than the company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

## **Respective responsibilities of council members and auditors**

As described in the Report of the Council of Management, the council members (who are directors of the company for the purposes of company law) are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 2006. We also report to you if, in our opinion, the Report of the Council of Management is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding council members' remuneration and transactions with the company is not disclosed.

We report to you whether in our opinion information given in the Report of the Council of Management is consistent with the financial statements.

## **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the council members in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

## **Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the affairs of the company as at 31st December 2009 and of the company's incoming resources and application of resources, including the company's income and expenditure account, for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 2006, and
- the information given in the Report of the Council is consistent with the financial statements.



Minam Hickson FCA, Senior Statutory Auditor for and on behalf of  
Jacob Cavenagh & Skeet, Statutory Auditor  
Chartered Accountants  
and Registered Auditor

5 Robin Hood Lane  
Sutton  
Surrey SM1 2SW

23 September 2010

## SPRING HARVEST

### STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2009

		<b>Unrestricted Funds</b>	
		<b>12 months to 31.12.2009 £</b>	<b>15 months to 31.12.2008 £</b>
<b>Incoming resources</b>			
Incoming resources from generated funds			
Investment income	2	-	122,124
Voluntary Income		-	12,000
Incoming resources from charitable activities			
Conference revenue		-	2,403,368
Ministry resources		-	685,669
Other incoming resources		-	224,703
<b>Total incoming resources</b>		-	<u>3,447,864</u>
<b>Resources expended</b>			
Charitable activities			
Normal activities	3	-	4,090,598
Gift of net assets to Memralife Group		-	1,540,789
Governance costs	4	-	47,372
Other resources expended		-	207,722
<b>Total resources expended</b>		-	<u>5,886,481</u>
<b>Net income/(expenditure) for the year/period</b>	5	-	(2,438,617)
<b>Total funds brought forward</b>		-	<u>2,438,617</u>
<b>Total funds carried forward</b>		-	<u>2,438,617</u>

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

The results from normal activities (excluding the gift of the net assets to Memralife Group) is as follows

	<b>Unrestricted Funds</b>	
	<b>12 months to 31 12 2009 £</b>	<b>15 months to 31 12 2008 £</b>
<b>Total incoming resources</b>	-	3,447,864
<b>Total resources expended</b>	-	<u>4,345,692</u>
<b>Net income/(expenditure) for the year/period</b>	-	<u>(897,828)</u>



**SPRING HARVEST**  
Company Number 2724859

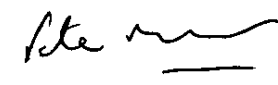
**BALANCE SHEET**  
**AS AT 31 DECEMBER 2009**

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	31.12.2009		31.12.2008	
	£	£	£	£
<b>Fixed assets</b>				
Tangible assets		-		-
Investments		<u>-</u>		<u>-</u>
		-		-
<b>Current assets</b>				
Stocks	-		-	
Debtors and prepayments	-		-	
Cash at bank	<u>-</u>		<u>-</u>	
	-		-	
<b>Creditors</b> Amounts falling due within one year	<u>-</u>		<u>-</u>	
	-		-	
<b>Net current assets</b>		<u>-</u>		<u>-</u>
<b>Net assets</b>		<u>-</u>		<u>-</u>
		-		-
<b>Total charity funds</b>				
Accumulated Fund		<u>-</u>		<u>-</u>

The financial statements were approved by the Council of Management and signed on their behalf by

  
L Bowring  
Chair

  
P Broadbent  
Vice-Chair

8 September 2010

## SPRING HARVEST

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2009

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		12 months to 31.12.2009		15 months to 31.12.2008	
	Note	£	£	£	£
<b>Net cash (outflow)/inflow from charitable activities</b>	9		-		(2,265,868)
<b>Returns on investments and servicing of finance</b>					
Investment income			-		122,124
Income from associate			-		12,000
<b>Capital expenditure and financial investment</b>					
Payments to acquire tangible fixed assets		-		(479,097)	
Proceeds from sale of tangible fixed assets		-		2,750	
Tangible fixed assets gifted to Memralife Group		-		<u>608,432</u>	
			-		132,085
<b>Acquisitions and disposals</b>					
Investments gifted to Memralife Group			-		939,123
Purchase of interest in associate			-		<u>(12,000)</u>
<b>Increase / (Decrease) in cash in the year/period</b>	9		<u>-</u>		<u>(1,072,536)</u>

## SPRING HARVEST

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

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#### 1 Accounting policies

##### 1.1 Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005) issued in March 2005, applicable accounting standards and the Companies Act 2006

##### 1.2 Incoming resources

All incoming resources are recognised once the charity has entitlement to the resources, it is certain the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability

##### 1.3 Charitable activities expenditure

This comprises expenditure directly related to the objects of the charity, including project management and support functions. Support costs are allocated principally on a basis of the proportion of time spent by employees

##### 1.4 Governance costs

This comprises expenditure to comply with statutory and legal requirements

##### 1.5 Fund accounting

Unrestricted funds are expendable at the discretion of the council of management in furtherance of the objects of the company

#### 2 Investment income

	2009 £	2008 £
Bank interest	-	65,511
Loan interest	-	56,613
	<u>-</u>	<u>122,124</u>

#### 3 Charitable activities

	Activities undertaken £	Support costs £	2009 Total £	2008 Total £
Conferences	-	-	-	3,474,046
Ministry resources	-	-	-	616,552
Tithe	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,090,598</u>

**SPRING HARVEST****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 DECEMBER 2009 (continued)****4 Support costs**

	Conferences	Ministry resources	Other resources expended	Governance	2009 Total	2008 Total
	£	£	£	£	£	£
Management	-	-	-	-	-	149,399
Finance	-	-	-	-	-	189,718
Human resources	-	-	-	-	-	81,599
IS&T	-	-	-	-	-	532,298
Travel	-	-	-	-	-	10,354
Professional fees	-	-	-	-	-	-
Audit	-	-	-	-	-	11,460
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>974,828</u>

**5 Net income/(expenditure) for the year/period**

	2009 £	2008 £
This is stated after charging/(crediting)		
Staff costs (see note 6 1)	-	1,610,343
Auditors' remuneration – for audit services	-	10,300
– for non-audit services	-	14,950
Depreciation	-	244,409
(Profit)/Loss on disposal of fixed assets	-	2,750
Operating lease rentals – land and buildings	<u>-</u>	<u>95,546</u>

**6 Employee information**

6 1 Staff costs	2009 £	2008 £
Wages and salaries	-	1,337,958
Social security costs	-	136,731
Other pension costs	<u>-</u>	<u>103,164</u>
	-	1,577,853
Benefits in kind	<u>-</u>	<u>32,490</u>
	<u>-</u>	<u>1,610,343</u>

6 2 The average monthly number of employees (excluding Council of Management members) during the period was made up as follows	2009 Number	2008 Number
Finance	-	3
Marketing	-	3
Information technology	-	3
Administration	<u>-</u>	<u>31</u>
	-	<u>40</u>

No employee received emoluments exceeding an annual equivalent of £60,000 in the year  
(2008 None)

## SPRING HARVEST

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009 (continued)

#### 6.3 Council of Management members' emoluments

No remuneration was paid to any member of the Council of Management in respect of such office. In respect of management and other services, particular council members received the following amounts, as permitted by the Memorandum of Association

Council member	2009 £	2008 £
D Blackwood	-	140
P Broadbent	-	3,172
S Chalke	-	21,200
S M Clifford	-	37
I C Coffey	-	23,474
R Dearnley	-	25,615
A Kennedy	-	1,018
O Obunge	-	400
J Richardson	-	458
R Valerio	-	640
M White	-	178
	<u>-</u>	<u>76,333</u>

	2009 £	2008 £
Expenses reimbursed to members of the Council of Management for travel and subsistence	<u>-</u>	<u>6,020</u>
Number of members to whom expenses were reimbursed	<u>-</u>	<u>11</u>
Council of Management indemnity insurance	<u>-</u>	<u>613</u>

#### 7 Constitution of the company and status

The governing instrument of the company is its Memorandum and Articles of Association. The company is limited by guarantee, the liability of each member being limited to £1. At 31 December 2009 there were 19 (2008: 19) members. The company is registered as a charity with number 1014540.

The company is registered as a charity with the Inland Revenue, reference X80012A, and is exempt from corporation tax on its charitable activities.

#### 8 Related party transactions

Spring Harvest is connected to The Spring Harvest Charitable Trust, charity registration number 1042041. The principal contact address of Spring Harvest Charitable Trust is the same as that of Spring Harvest. All the Trustees of the Trust for the year were also members of the Council of Management of Spring Harvest. Spring Harvest charged £nil (2008: £20,000) to the Trust for administrative services during the year. All the income of the Trust (other than interest received) consists of the proceeds of offerings taken at events organised and operated by Spring Harvest pursuant to its charitable objects.

Spring Harvest is connected to Spring Harvest Holidays, company registration number 3509419. The principal contact address of Spring Harvest Holidays is the same as that of Spring Harvest. During the year a management charge of £nil (2008: £178,420) and a loan interest charge of £nil (2008: £56,613) was made by Spring Harvest to Spring Harvest Holidays Limited. Expenses of £nil (2008: £15,040) were reimbursed to Spring Harvest and at the year end a balance of £nil (2008: £205,230) was due to be paid.

## SPRING HARVEST

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009 (continued)

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#### 9 Cash flow information

a) Reconciliation of changes in resources to net inflow from charitable activities	2009 £	2008 £
Net incoming/(outgoing) resources	-	(2,438,617)
(Profit)/Loss on disposal of fixed assets	-	(2,750)
Depreciation	-	244,409
(Increase)/decrease in stock	-	31,672
(Increase)/decrease in debtors	-	376,526
(Decrease)/increase in creditors	-	(324,984)
Investment income	-	(122,124)
Voluntary income	-	(12,000)
<b>Net cash (outflow)/inflow from charitable activities</b>	<b>-</b>	<b>(2,265,868)</b>
b) Reconciliation of net cash flow to movement in net funds	2009 £	2008 £
(Decrease)/increase in cash for the period	-	(1,072,536)
Net funds brought forward	-	<u>1,072,536</u>
Net funds carried forward	<u>-</u>	<u>-</u>