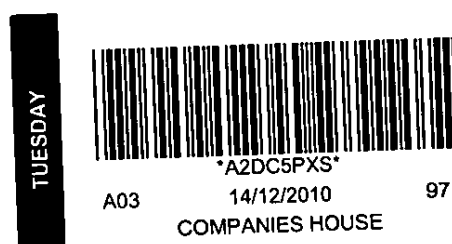




REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010



Latin Link is a company limited by guarantee registered in England 2811525
Registered Office 87 London Street, Reading, RG1 4QA Registered charity 1020826

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

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LATIN LINK

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2010

The trustees are pleased to present their report together with the financial statements of the charity for the year ended 31 March 2010

Reference and administrative details

Charity number: 1020826

Company number: 2811525

Registered Office and Operational address: 87 London Street, Reading, Berkshire RG1 4QA

Directors and trustees:

The directors of the charitable company are its trustees for the purpose of charity law and those serving during the year and since the year end were as follows-

Andrew Binmore
Evangeline Creighton (resigned 4 June 2009)
Samuel Cueva
John Daniel
Angela Davies
Roy Dumphreys
Keith Farman (Treasurer)
Sonia Jackson (resigned 2 September 2010)
Alistair Kennedy (resigned 4 March 2010)
Margaret Morgan
Roger Pearce (Chair)
Rogelio Prieto-Duran
David Simpson (appointed 2 September 2010)
Karen Thompson (appointed 2 September 2010)
Catherine Travis

Secretary: Mark Richardson (resigned 10 September 2010)
Nick Addo (appointed 10 September 2010)

Team Leader: Andrew Johnson

Auditors: Jacob Cavenagh & Skeet, 5 Robin Hood Lane, Sutton, Surrey SM1 2SW

Solicitors: Hewetts, 55/57 London Street, Reading, Berkshire, RG1 4PS

Bankers: Bank of Scotland, West End Office, St James' Gate, 14-16 Cockspur Street, London SW1Y 5BL

LATIN LINK REPORT OF THE TRUSTEES (ctd) FOR THE YEAR ENDED 31 MARCH 2010

Structure, Governance and Management

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 21 April 1993 and registered as a charity on 12 May 1993. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Recruitment and Appointment of Directors

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Executive which is the management committee of the charity. Executive membership is determined by the trustees and under the requirements of the Memorandum and Articles of Association the trustees are elected to serve for a period of three years after which they must be re-elected at the next Annual General Meeting.

The trustees seek to ensure that the needs of this group are appropriately reflected through the diversity of the trustee body and look to achieve a balance of expertise and experience. In the event of particular skills being lost due to retirement, individuals are approached to offer themselves for election to the Trustee Board.

Trustee Induction and Training

Prior to appointment most trustees are already familiar with the practical work of the charity having either served abroad or at home under one of its activities. New trustees are given relevant information from the various Charity Commission publications, copies of the charity's Memorandum and Articles and International Handbook, the latest financial statements and are encouraged to attend relevant public courses as available. All trustees and staff are invited to meet together prior to each quarterly Board meeting.

Organisation

The board of trustees, whose number is unlimited, administers the charity. The board meets quarterly to review strategy and performance and to set the operating plans and budgets. They are assisted by a number of Action Groups: Link (serving former charity members), Finance, *Latin Partners (co-ordinating team members from Latin America serving in Britain & Ireland)*, and those located in various areas in Britain and Ireland. The Action Groups comprise trustees and other individuals and operate under specific terms of reference that delegate certain functions from the trustee board. Each Action Group has its decisions ratified by the trustee board.

A Chief Executive known as the Team Leader is appointed by the trustees and has delegated authority over the day to day operations including programmes, publicity, employment and financial administration.

LATIN LINK REPORT OF THE TRUSTEES (ctd) FOR THE YEAR ENDED 31 MARCH 2010

Risk Management

The charity has a risk management strategy involving an annual review and update by the trustees of identified operational, personnel, financial, reputation and strategic risks. As trustees, we are satisfied that appropriate systems and procedures are in place to monitor, manage and where appropriate mitigate Latin Link Britain & Ireland's exposure to the major risks identified by our risk register.

Public Benefit

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives and in planning for future activities. In particular, the trustees have considered how planned activities will contribute to the aims and objectives they have set.

Objectives and activities

The objects of the charity are

- to advance the mission of Christ in and from Latin America and also amongst Spanish and Portuguese-speaking people elsewhere in the world and in particular (but without limitation to the foregoing) to join in evangelism, church-planting, the discipling of Christians and the training of leaders, working in partnership with Christians in Latin America
- to provide relief to the poor and those who are suffering hardship as a result of natural disaster, sickness, old age or disease or by reason of their social and economic conditions

What we do

The charity has the general aim of partnering the Latin American churches in their mission activities, primarily in placing relevant people in ministry situations, both Europeans in Latin America and Latin Americans in Europe and elsewhere.

At the heart of all we do is "formación", a Spanish word which literally means formation or training. It speaks of wholeness, personal growth and development which we see finding their fulfilment in Christ. We describe how we apply this under five (5) subject headings as follows:

- Outreach and evangelism
- Care and social action
- Training and preparation of pastors and future church leaders
- Publishing and providing Christian resources
- Business and ethics

Where we work

The major areas of activity are the placement of people on an ongoing basis in Latin America and Europe to work alongside local partner churches and Christian organisations under three distinct programmes.

LATIN LINK

REPORT OF THE TRUSTEES (ctd)

FOR THE YEAR ENDED 31 MARCH 2010

- STEP which is a short-term mission and discipleship programme for teams who are sent out for four months each spring and for 3 – 7 weeks during the summer,
- STRIDE which is designed for individuals, couples or families who want to spend anything between six months and two years working with a church or Christian-run project, and
- STAY which is on a longer term basis from three years onwards, particularly suitable for people who following a stride programme, feel called to make a longer term commitment

In the year to 31 March 2010, Latin Link Britain and Ireland had over 150 Latin Link members serving the local church in Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Cuba, Ecuador, Guatemala, Honduras, Nicaragua and Peru in Latin America and in Europe in Britain and Ireland and Spain

Achievements and performance

Team Programmes

This was another successful year for our step programme in partnership with churches in Latin America. In all, we had 173 individuals going out in teams of between 8 and 13 to seven Latin American countries as set out in the table below

	Spring Teams		Summer Teams		Total	
	Teams	Individuals	Teams	Individuals	Teams	Individuals
Argentina	1	10	2	24	3	34
Bolivia	-	-	2	18	2	18
Brazil	1	9	1	8	2	17
Chile	1	10	-	-	1	10
Ecuador	-	-	1	11	1	11
Guatemala	1	11	1	8	2	19
Peru	1	12	5	52	6	64
TOTAL	5	52	12	121	17	173

These teams worked alongside local churches and other NGOs with similar missions in a variety of local projects ranging from evangelistic outreach to street children and children keen on sports to care and social action such as helping to build churches and other community facilities, helping in child feeding programmes as well as rehabilitation centres for street children

Monitoring of those returning from Latin America continued during the year and is leading to a deepening of their financial commitment to Latin Link

One team, based in Guatemala, tell their story

"We were thrown in at the deep end when we arrived in Guatemala, with conditions more primitive even than camping holidays in the UK! (Particularly worrying was the road-side tap turned shower!) However, as the children flocked to take a look at the 'gringos' and we started to get to know the community, it wasn't long before we realised what a privilege it was to spend time with them. I fondly remember drinking Pepsi out of plastic bags on the building site; drawing on rocks with fluorescent paint with the kids, fits of laughter every time the builders tried to speak English and we replied with something only vaguely resembling Spanish, and hearing of

LATIN LINK REPORT OF THE TRUSTEES (ctd) FOR THE YEAR ENDED 31 MARCH 2010

the experiences of one man who'd fought in the civil war. Mixing cement, moving sand and bending wire wasn't easy, but the joy on the faces of the families for whom we built houses was more than compensation for the blisters and achy joints!

We were able to get involved with so many activities on Step, from very competitive football games with the youth group to visiting houses destroyed by the recent hurricane. A highlight for me was teaching English to a class of 5-8 year olds by playing chaotic games and volleyball with balloons. My half-joked prayer at the start of the lesson, that God would give me the gift of Spanish, paid off, it was so incredible throughout the trip to see prayers answered and God working in amazing ways. We saw God in action in the practicalities of our daily lives as well as our team devotional times.

When we first met one of the local pastors he said something I will never forget. 'We have been praying for two years for help for this building project - now you are here.' I hadn't even heard of Latin Link two years previously, and yet God had it all planned out, and would even use a rabble like us as answers to their desperate prayers. What an incredible privilege."

This year we were also privileged to welcome the first ever Latin American Step team to Europe from Cuba to N Ireland! The team of five spent three weeks working alongside churches in Bangor and had the opportunity to be involved in a Scripture Union camp and a youth leadership training conference as well as to attend and speak at a week-long missionary convention and to share with local churches about the church in Cuba. It was just amazing to see God open up doors that seemed impossible to open to bring this special group of people to share with the church here. Seeing the two cultures learning, praying, worshipping and serving together was a truly unforgettable experience. The Step team had a real impact on the churches they visited, bringing renewal and challenge, as they shared the joy of knowing Christ and living for Him in often difficult circumstances. It was a HUGE blessing for all involved.

As our Ireland Co-ordinator, Elma put it, "It was just the most blessed time I've had during my years with Latin Link. I still have to pinch myself to think that God made it happen! A team from Cuba! That should be where our first Step team came from is just so incredible. I'm still giving thanks for that alone! Then the fact that the team in and of themselves were so special was just an added bonus! They were so refreshing to spend time with, they brought joy to every day. They brought life to the churches which they visited, Jesus just shone through them and transcended all cultural and linguistic boundaries! It was powerful to hear them testify and sing praises to Jesus' name and I know from the churches they visited how so many lives were impacted. Their faith was alive and people could see that. It was powerful."

For the Cuban Team too, it seems to have been a blessing to be here too. In their debrief they shared about the impact that their visit had on them, in particular, the sense of being part of the worldwide church as four members of the team, this was their first ever trip outside Cuba. As their team leader, Raymundo acknowledged in his letter of thanks

'My dear Christian family, there are no words to fully express to you the thankfulness we feel in our hearts for all that you did for us in the days we spent with you. Thank you for the sincere love that you showed us and for your patience in putting up with our loud culture and all our jokes(!). Thank you for all you taught us through your hospitality and Christian humility. Thank you for allowing us to live unforgettable moments in our lives that have helped us grow spiritually and be better Christians. Thank you for your generosity....'

LATIN LINK

REPORT OF THE TRUSTEES (ctd)

FOR THE YEAR ENDED 31 MARCH 2010

Individual placements

The number of opportunities in Latin America continues to grow. Thirty three (33) new Striders, a record number, left Britain for eight (8) Latin American countries where they were involved over a period of up to two years on a wide variety of projects. Together with striders in their second year of placement as well as members on long 'stay', Latin Link Britain & Ireland alone had in total 139 individuals serving the church in Latin America and Europe. The breakdown by country is as follows:

Country	No on 'Stay'	No on 'stride'	Total
Argentina	8	14	22
Bolivia	9	9	18
Brazil	16	11	27
Chile	1	2	3
Colombia	3	3	6
Costa Rica	4	2	6
Ecuador	7	2	9
Guatemala	2	10	12
Honduras	-	2	2
Nicaragua	-	1	1
Peru	15	14	29
Spain	3	1	4
TOTAL	68	71	139

Working alongside partner churches in the countries where they are placed, these individual members are involved in all five areas of formación:

One strider working alongside another on a children's project they have named, "Zoe" (the Greek word for LIFE) in a poor neighbourhood in Recife, Brazil wrote:

'If the church doesn't act to help show these children and young people a better way, then it is very likely they will soon fall into the common vices of poor communities such as crime, drugs and prostitution. The activities that we have been running have been well received and we have seen the project grow and grow.'

The project which began initially as a boys football outreach has now developed into something bigger with lots more to offer to the children and young people in the area including activities designed to draw them into the local church community. With around 80 children and teens taking part on a regular basis, we have seen the local church grow as a result – a huge encouragement to us that God is at work.'

In a small market town in Peru, where in the absence of any major employers, the bulk of the population just struggled along trying to make ends meet, selling or providing a service on a subsistence basis, another Latin Link member is making a real difference to the local community in three specific ways as follows:

- Helping a small group of local weavers to export their wares to the UK in partnership with Toybox, a UK charity that also works with street children in Latin America. By agreeing with Toybox to pay 50% up front for materials and the rest on delivery, these

LATIN LINK REPORT OF THE TRUSTEES (ctd) FOR THE YEAR ENDED 31 MARCH 2010

local weavers now have access to the working capital they need to expand their operations beyond the subsistence level,

- Provision of microfinance to local market traders, artisans, small restaurateurs and taxi drivers in partnership with Kallarisunchis, a local Christian group. To date, over 250 small local businesses with no access to bank loans, have benefitted from the scheme with loans of between £100 and £1,000
- Adapting training materials developed elsewhere to the local situation whilst underpinning every aspect on the principles of integrity, honesty and good business practice

Asked what sets his work apart, he had this to say,

"The original idea of microfinance was to serve people who could never walk into a bank and get capital because they had no security in terms of a house or a job. But microfinance has become very popular and unfortunately some organisations have become more like financial institutions. In my opinion, they have lost a lot of the vision which was to help the needy, the poorest people."

"That's what I hope are our distinctives, that we are small enough to still have personal relationships with the clients and that we keep our Christian values central in what we teach and in how we train clients to run a business."

From Colombia, another member on long term placement wrote in about a ground-breaking residential conference for fathers and sons "Campo Ventura" as it was called started on the first day with just the fathers, the sons joining the following morning which began with breakfast prepared by their fathers. Then on the third day, following the example of God the Father at the time of Jesus' baptism, the men introduce their sons to the rest of the company, to their band of brothers and say, "look guys, this is my son, I love my son, I believe in him." On the final day, the fathers in the example of the patriarchs, Abraham, Isaac and Jacob, pronounce blessings on their sons. The conference also had sessions for reflection, offering confession and receiving forgiveness as well as healing and restoration of broken relationships. At the end of it all, one participant came forward in front of the whole assembly and testified,

'I thought Christianity was rubbish. I've spent years dropping my wives and kids at church and then picking them up again when the service was over – but guys, I've loved this.'

These are only a few of the many stories that capture the heart of what we at Latin Link are doing. For supporters and other well-wishers interested in finding out more, we refer them to our website - <http://www.latinlink.org.uk/>

Financial review

There was a 7 percent fall in income for the year, arising mainly from a decrease of almost £100,000 in terms of giving towards our direct charitable activities in Latin America

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REPORT OF THE TRUSTEES (ctd)

FOR THE YEAR ENDED 31 MARCH 2010

There was a corresponding decrease of 9 percent in overall expenditure, achieved largely through reduction in charitable activities

This financial discipline ensured that we ended the year with an overall net increase in funds of approximately £56,000. On general, unrestricted funds, however, we suffered a net deficit of approximately £97,000

Principal Funding Sources

Gifts and donations in support of personnel, projects and ministries and in support of the team programmes continue to be our principal funding sources and as trustees, we register here our profound sense of gratitude to the thousands out there whose continued sacrificial giving have made the work in the year possible

Investment Policy

Under the Memorandum and Articles of Association, the charity has the power to invest in any way the trustees wish

The trustees, having regard to the liquidity requirements of the charity and to the reserves policy, have operated a policy of keeping available funds in easily realisable assets seeking to maximise income and capital growth in line with principles relating to sustainable and responsible investment. The overall return achieved on investments and deposits averaged 0.794% which is understandable given that interest rates were at their lowest for *most* of the year

Reserves policy

The trustees have revised the level of reserves (that is those funds that are freely available) that the charity ought to have. They consider that the unrestricted funds not committed or invested in tangible fixed assets held by the charity should be at least equal to 25% of expected unrestricted expenditure for next year which equates to approximately three months of operational costs. At this level, the trustees feel that they will retain sufficient reserves to be able to bridge short term funding gaps between spending and receiving resources as well as respond to any major falls in income

The actual reserves available at 31 March 2010 were £83,980. This is approximately 8% of expected unrestricted expenditure and thus fell short of our minimum reserve policy level. As trustees, we are committed to working with our senior management team to redress this through the budgeting process over the next two years

Future plans

February 2010 saw the Latin Link International Assembly made up of Latin Link members from all over Latin America and Europe gather in Peru for a week to set the focus and priorities of Latin Link for the next 4 years

Andrew Johnson assumed the role of Latin Link Britain & Ireland Team Leader in February 2010 following Alan Tower's appointment as International Team Leader. At a recent meeting with the staff in Latin Link Britain & Ireland's Reading offices, Andrew highlighted 4 key elements that will define his leadership

LATIN LINK REPORT OF THE TRUSTEES (ctd) FOR THE YEAR ENDED 31 MARCH 2010

- Expansion and development of existing programmes as well as the support base both in terms of funding and office support,
- An excellent quality service with a strong member care ethos,
- Consolidation through balanced budgeting to secure the financial base for the work, and
- Restructuring of the Development and Communications Department

Trustees' responsibilities in relation to the financial statements

Company law requires the trustees to prepare financial statements that give a true and fair view of the state of affairs of the charity at the end of the financial year and of its surplus or deficit for the financial year. In doing so the trustees are required to

- select suitable accounting policies and then apply them consistently,
- make sound judgements and estimates that are reasonable and prudent, and
- 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 enables them to ensure that the financial statements comply with the Companies Act 2006. The trustees 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.


In accordance with company law as the company's directors, we certify that

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware, and
- as the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information

Auditors

A resolution will be proposed at the Annual General meeting that Jacob Cavenagh & Skeet be re-appointed as auditors to the charity for the ensuing year

By order of the trustees


Roger Pearce
Chairman

2ND DECEMBER 2010

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LATIN LINK

We have audited the financial statements of Latin Link for the year ended 31 March 2010 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable 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 charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees' (who are also the directors of the company for the purposes of company law) responsibilities for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Trustees' Responsibilities.

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, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been properly prepared in accordance with the Companies Act 2006.

We also report to you whether, in our opinion, the information given in the Trustees' Annual Report is consistent with those financial statements.

In addition we report to you if, in our opinion, the charity has not kept adequate accounting records, if the charity's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read the Report of the Trustees and consider the implications for our report if we become aware of any apparent misstatements within it.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LATIN LINK (ctd)

Basis of audit opinion

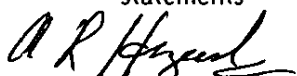
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity'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 of the state of affairs of the charity as at 31 March 2010, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- the financial statements have been properly prepared in accordance with the Companies Act 2006, and
- the information given in the Report of the Trustees is consistent with the financial statements



Andrew Hazael BA FCA
Senior Statutory Auditor
For and on behalf of
Jacob Cavenagh & Skeet
Statutory Auditor
Chartered Accountants
5 Robin Hood Lane
Sutton
Surrey SM1 2SW

13th December 2010

LATIN LINK

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2010

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2010 £	Total 2009 £
Incoming resources						
Incoming resources from generated funds:						
<i>Voluntary income</i>						
Donations	2	283,686	-	-	283,686	223,904
Legacies	2	39,082	-	1,000	40,082	95,970
Appeal income		28,984	-	-	28,984	49,563
Other income						3,573
		351,752	-	1,000	352,752	373,010
<i>Activities for generating funds</i>						
Investment income	3	33,086	21	1	33,108	49,230
Incoming resources from charitable activities						
Latin America	4	653,055	113,050	630,215	1,396,320	1,587,407
Short term programmes		-	-	606,953	606,953	568,209
Other incoming resources	6	-	-	-	-	-
Total incoming resources		1,037,893	113,071	1,238,169	2,389,133	2,578,036
Resources expended						
Costs of generating funds						
Costs of generating voluntary income	5	66,532	631	-	67,163	63,219
Fundraising and publicity costs for appeal income	5	64,804	255	-	65,059	75,312
Charitable activities	5	879,300	126,593	1,145,196	2,151,089	2,384,736
Governance costs	5	50,042	405	-	50,447	51,930
Total resources expended		1,060,678	127,884	1,145,196	2,333,758	2,575,197
Net income/(expenditure) before other recognised gains		(22,785)	(14,813)	92,973	55,375	2,839
Realised (losses)		(73)			(73)	
Net income/expenditure for the period		(22,858)	(14,813)	92,973	55,302	2,839
Transfers between funds		(75,140)	105,211	(30,071)	-	-
Net incoming/(outgoing) resources before other recognised gains	6	(97,998)	90,398	62,902	55,302	2,839
Unrealised gains on investments		836	-	-	836	-
Net movement in funds		(97,162)	90,398	62,902	56,138	2,839
Reconciliation of funds						
Total funds brought forward		181,142	952,962	236,066	1,370,170	1,367,331
FUND BALANCES CARRIED FORWARD		83,980	1,043,360	298,968	1,426,308	1,370,170

The statement of financial activities includes all gains and losses in the year
All incoming resources and resources expended derive from continuing activities

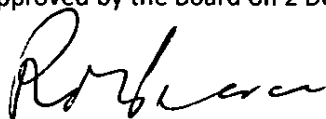
LATIN LINK**BALANCE SHEET AT 31 MARCH 2010**

Company Registration Number: 2811525

	Notes	2010 £	2009 £
FIXED ASSETS			
Tangible Assets	9	867,996	842,833
Investments	10	69,733	50,000
		<u>937,729</u>	<u>892,833</u>
CURRENT ASSETS			
Stock		1,950	-
Debtors	11	107,384	158,003
Cash at bank and in hand		479,764	481,653
		<u>589,098</u>	<u>639,656</u>
Liabilities			
Creditors falling due within one year	12	(96,291)	(144,863)
Net current assets		<u>492,807</u>	<u>494,793</u>
Total assets less current liabilities		1,430,536	1,387,626
Creditors falling due after more than one year	13	(4,228)	(17,456)
Net assets		<u>1,426,308</u>	<u>1,370,170</u>
The funds of the charity			
Restricted income funds	14	298,968	236,066
Unrestricted income funds			
Designated	14	1,043,360	952,962
General	14	83,980	181,142
		<u>1,127,340</u>	<u>1,134,104</u>
Total charity funds		<u>1,426,308</u>	<u>1,370,170</u>

The notes on pages 14 to 20 form part of these accounts

Approved by the Board on 2 December 2010 and signed on its behalf by:


Roger Pearce**Director and Chair of the Trustees**

LATIN LINK

NOTES TO THE ACCOUNTS (ctd)

FOR THE YEAR ENDED 31 MARCH 2010

1. Accounting Policies

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 financial statements have been prepared under the historical cost convention, as modified by the inclusion of fixed asset investments at market value, and in accordance with the Companies Act 2006 and the Statement of Recommended Practice: Accounting and Reporting by Charities issued in March 2005.

(b) Fund accounting

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

Designated funds are unrestricted funds set aside by the Directors for specific purposes.

Restricted funds are to be used in accordance with specific restrictions imposed by the donors or through the terms of an appeal.

(c) Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of donations, gifts and legacies and is included in full in the Statement of Financial Activities when receivable,
- Legacies are included where the legacy has been received or both the receipt and the amount is known with sufficient certainty,
- Donated 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 accounts,
- Investment income and appeal income is included when receivable, and
- Income from charitable activities in respect of team members, projects and short term programmes is included when receivable.

(d) Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

- Costs of generating funds comprise costs associated with attracting voluntary income and the costs of attracting income for fundraising purposes,
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them,

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NOTES TO THE ACCOUNTS (ctd)

FOR THE YEAR ENDED 31 MARCH 2010

(d) Resources expended (ctd)

- 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, and
- All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis e.g. allocating property costs per capita and staff time, staff costs by the time spent and other costs by their usage

(e) Operating leases

Rentals applicable to operating leases in respect of office premises and office equipment are charged to the Statement of Financial Activities over the period in which the cost is incurred

(f) Tangible fixed assets

Tangible fixed assets, apart from freehold land, are depreciated on a straight line basis to write off the cost, less estimated residual value, over their expected useful lives

The Charity has adopted FRS 15 "Tangible Fixed Assets" and has followed the transitional provisions to retain the book value of land and buildings

Office equipment is depreciated at 20% per annum of cost, new computer equipment at 33⅓% per annum of cost and freehold buildings at 2% per annum of cost. Freehold land is not depreciated

Individual items under £1,000 are written off in the year of acquisition

(g) Investments

Investments held as fixed assets are valued at market value at the balance sheet date and the gain or loss taken to the Statement of Financial Activities

(h) Cash at bank and in hand

Cash at bank and in hand consists of all amounts held in banks and short term deposits with maturity value of 30 days or less

(i) Pension costs

Pension contributions are paid to defined contributions schemes operated by the EMA Pension Scheme. The assets of the pension schemes are held in funds that are administered independently of the Company. Contributions to the EMA Pension Scheme and other non-funded pensions are charged to the Statement of Financial Activities in the period to which they relate

(j) Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Balances denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date and all differences are taken to the Statement of Financial Activities

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NOTES TO THE ACCOUNTS (ctd)
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2 Donations

	Unrestricted	Restricted	2010	2009
	£	£	£	£
Donations	283,686	-	283,686	223,904
Legacies	39,082	1,000	40,082	95,970
	322,768	1,000	323,768	319,874

3 Investment income

	2010	2009
	£	£
Property Rental	28,538	28,978
Interest income	2,012	2,012
Dividends received	2,558	18,240
	33,108	49,230

4 Incoming Resources from Activities to further the Charity's Objects

	Unrestricted	Restricted	2010	2009
	£	£	£	£
Team members, office staff and retired members	715,994	409,270	1,125,264	1,220,406
Ministries & Projects	-	220,945	220,945	273,153
Administration fees	50,111	-	50,111	84,376
Step and Stride programmes	-	606,953	606,953	568,209
Sundry income	-	-	-	9,472
	766,105	1,237,168	2,003,273	2,155,616

5 Total Resources Expended

	Voluntary	Short Term	Latin America	Governance	Appeals	2010	2009
	£	£	£	£	£	Total	Total
Costs directly allocated to activities							
Team Member costs	-	-	912,235	-	-	912,235	1,039,852
Latin Partners costs	-	-	10,564	-	-	10,564	14,439
Ministries & Projects	-	-	210,834	-	-	210,834	263,567
International Fees	-	15,298	26,350	-	-	41,648	42,293
Events	-	26,825	1,452	-	-	28,277	36,970
Fundraising & Publicity	-	-	-	-	26,579	26,579	44,525
Staff costs	-	88,219	-	-	-	88,219	93,051
Strider & Stepper costs	-	422,500	-	-	-	422,500	393,026
Professional fees	-	-	-	8,478	-	8,478	13,942
Trustee meetings	-	-	-	1,419	-	1,419	1,458
Travel Abroad	-	3,010	-	-	-	3,010	14,064
Cuba Para Cristo costs	-	-	8,260	-	-	8,260	20,743
Other costs	-	-	2,291	14	-	2,305	5,408
Support costs allocated to activities							
General office, finance and coordinator staff	51,941	132,512	173,275	26,730	26,382	410,840	436,942
Premises	2,304	8,508	11,361	2,630	2,262	27,065	19,920
Office costs	6,902	26,868	32,913	7,369	7,566	81,618	87,746
Depreciation	1,796	6,633	10,580	2,050	1,763	22,822	20,777
Bank charges	441	2,094	3,417	551	110	6,613	5,758
Travel	3,148	5,069	5,607	801	142	14,767	14,926
International fees	631	2,252	2,162	405	255	5,705	5,790
Total resources expended	67,163	739,788	1,411,301	50,447	65,059	2,333,758	2,575,197

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6 Net incoming (outgoing) resources for the year

This is stated after charging/(crediting) the following

	2010 £	2009 £
Depreciation	22,822	20,777
Operating lease rentals office equipment	4,141	1,702
land and buildings	#REF!	1,648
Auditors' remuneration	4,973	5,141
(Loss) on exchange	911	3,753

7 Taxation

The activities of the company are exempt from direct taxation under Part 10 of the Income Tax Act 2007

8 Trustee and staff information

No remuneration was paid to the Trustees during the year (2009 £nil) Expenses of £1,181 for travel and meeting costs were paid to seven Trustees during the year (2009 £1,458 to six Trustees)

In addition one Trustee, Roy Dumphreys, who had previously served in Latin America, received pension payments totalling £4,380 (2009 £4,380) as a retired team member Payments to the Trustee were authorised in the Memorandum of Association

Staff costs were as follows

	2010 £	2009 £
Salaries	462,304	513,041
Social security costs	40,808	47,740
Pension costs	23,291	27,058
	<u>526,403</u>	<u>587,839</u>

No employee received emoluments of more than £60,000 during the current or previous year

The average number of employees during the year, calculated on the basis of full time equivalents, was as follows

	2010	2009
Office and administration	<u>18.3</u>	<u>19.1</u>

9 Tangible Fixed Assets

	Freehold Property £	Office Equipment £	Total £
COST			
At 1 April 2009	870,254	62,476	932,730
Additions	6,660	41,325	47,985
Disposals	-	(5,696)	(5,696)
At 31 March 2010	<u>876,914</u>	<u>98,105</u>	<u>975,019</u>
DEPRECIATION			
At 1 April 2009	43,215	46,682	89,897
Charge for the year	14,427	8,395	22,822
Released on disposals	-	(5,696)	(5,696)
At 31 March 2010	<u>57,642</u>	<u>49,381</u>	<u>107,023</u>
NET BOOK VALUE			
At 31 March 2010	<u>819,272</u>	<u>48,724</u>	<u>867,996</u>
At 31 March 2009	<u>827,039</u>	<u>15,794</u>	<u>842,833</u>

These assets are all used to support all of the charity's activities

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NOTES TO THE ACCOUNTS (ctd)
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10 Investments

	Fixed income bonds £	Equities £	Alternative Investments £	Total £
COST				
At 1 April 2009	50,000	-	-	50,000
Additions	20,148	7,275	300	27,723
Disposals	(8,269)	(556)	-	(8,825)
At 31 March 2010	<u>61,879</u>	<u>6,719</u>	<u>300</u>	<u>68,898</u>
MARKET VALUE				
At 1 April 2009	50,000	-	-	50,000
Additions	20,148	7,275	300	27,723
Disposal proceeds	(8,247)	(506)	-	(8,753)
Realised gains (losses)	(23)	(50)	-	(73)
Unrealised gains (losses)	108	822	(94)	836
At 31 March 2010	<u>61,986</u>	<u>7,541</u>	<u>206</u>	<u>69,733</u>

11 Debtors

	2010 £	2009 £
Income tax recoverable	32,240	29,503
Other debtors	31,567	37,278
Prepayments	22,102	34,259
Income receivable	21,475	56,963
	<u>107,384</u>	<u>158,003</u>

12 Creditors: Amounts falling due within one year

	2010 £	2009 £
Taxation and social security	11,561	12,623
Interest free loans	-	4,000
Other creditors	59,135	98,383
Deferred income	18,238	20,006
Accruals	7,357	9,851
	<u>96,291</u>	<u>144,863</u>

Included in interest free loans repayable is an amount of £nil (2009 £2,000) loaned by Gordon Davies, whose wife, Angela Davies, served as a Trustee during the year

13 Creditors: Amounts falling due after more than one year

	2010 £	2009 £
Other creditors	4,228	17,456
	<u>4,228</u>	<u>17,456</u>

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14 Movements in Funds

	At 1 April 2009 £	Incoming Resources £	Outgoing Resources £	Transfers £	Gains & Losses £	At 31 March 2010 £
Restricted funds						
Individual project and personnel funds	165,278	767,857	715,179	(33,367)	-	184,589
Step	65,173	377,337	313,626	(19,677)	-	109,207
Stride	5,615	92,975	116,391	22,973	-	5,172
<i>Total restricted funds</i>	<u>236,066</u>	<u>1,238,169</u>	<u>1,145,196</u>	<u>(30,071)</u>	<u>-</u>	<u>298,968</u>
Unrestricted funds.						
Designated international office fund	(248)	111,918	73,600	47,353	-	85,423
Designated pension funds	944	1,012	1,896	-	-	60
Designated education fund	3,221	141	612	-	-	2,750
Designated capital fund	842,833	-	-	25,163	-	867,996
Designated members' excess support fund	33,817	-	14,601	32,695	-	51,911
Designated fund for retired members	72,395	-	37,175	-	-	35,220
General Funds	181,142	1,037,893	1,060,678	(75,140)	763	83,980
<i>Total unrestricted funds</i>	<u>1,134,104</u>	<u>1,150,964</u>	<u>1,188,562</u>	<u>30,071</u>	<u>763</u>	<u>1,127,340</u>
Total funds	<u>1,370,170</u>	<u>2,389,133</u>	<u>2,333,758</u>	<u>-</u>	<u>763</u>	<u>1,426,308</u>

Purposes of Restricted Funds

Individual projects and personnel funds Funds raised to provide financial support for projects and mission partners in Latin America and in Britain & Ireland

Step fund Funds used for the short term Step programme

Stride fund For the short term Stride programme

Purposes of Designated Funds

International Office fund Support of International Office overheads, overseas projects and International Council meetings

Pensions fund For the benefit of personnel on attaining their normal retirement age

Education fund Provision of financial assistance for the education of serving team members' teenage children

Capital fund Funds set aside for the freehold property and office equipment

Members' excess support fund Provision of financial assistance to be nominated by those members towards their car, education, pension, housing, personal support or ministry

Retired members Funds set aside to be used to help provide for those members who have retired from active service

15 Analysis of Net Assets Between Funds

	General Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	-	867,996	-	867,996
Investments	69,733	-	-	69,733
Current assets	114,766	175,364	298,968	589,098
Current liabilities	(96,291)	-	-	(96,291)
Long-term liabilities	(4,228)	-	-	(4,228)
Net Assets at 31 March 2010	<u>83,980</u>	<u>1,043,360</u>	<u>298,968</u>	<u>1,426,308</u>

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16 Pension Scheme

The cost to the Company of providing pension and death in service benefits during the year ended 31 March 2010 was as follows

	2010 £	2009 £
Payments with respect to current staff	23,291	27,058
Payments with respect to team members currently serving overseas	47,974	85,875
	<u>71,265</u>	<u>112,933</u>

17 Operating lease commitments

The annual amounts payable in respect of operating leases shown below are analysed according to the expiry of the leases

	Land & Buildings		Others	
	2010 £	2009 £	2010 £	2009 £
One year	3,238	3,238	-	430
Between two and five years	<u>9,714</u>	<u>12,952</u>	<u>1,466</u>	<u>-</u>