



Salt & Light Ministries

SALT & LIGHT MINISTRIES

(A company limited by guarantee and not having a share capital)

Annual Report & Accounts for the year ended 31 July 2006

INDEX

1-2	Report of the Directors and General Information
3	Report of the Auditors to the Members
4	Statement of Financial Activities
5	Balance Sheet
6-10	Notes to the Accounts

SATURDAY



A13 *AXKVPNQO* 10/03/2007 745
COMPANIES HOUSE

equipping the church, extending the kingdom, blessing the nations

European office: telephone 01865 297440 fax 01865 297441 email european@saltlight.org web www.saltlight.org

A company limited by guarantee, registered in England and Wales, number 3603373. Registered office 22b High Street, Witney OX3 6HB. Registered charity number 1071600.

SALT & LIGHT MINISTRIES

Registered in England and Wales No 3603373
(A company limited by guarantee and not having a share capital)

Directors

B Coombs (resigned 30.04.2006)
M Harland
M C Poulton

S P Thomas
M N Mumford
M K Pearson

Secretary

M C Poulton

Registered Office

22b High Street, Witney, Oxon, OX28 6RB

Bankers

The main bankers of the company are Barclays Bank, Basingstoke.

Auditors

A J Carter & Co, Chartered Accountants and Registered Auditors,
22b High Street, Witney, Oxon, OX28 6RB.

REPORT OF THE DIRECTORS AND GENERAL INFORMATION

For the year ended 31 July 2006

Principal Activity

The principal activity of the company remains the advancement of the Christian faith through the provision of training and support for Christian Ministries in a group of churches in the United Kingdom and internationally.

Charitable Status

The company has charitable status and is registered with the Charity Commission under registration number 1071600.

Governing Instrument

The company's activities are regulated by the Memorandum and Articles of Association. The objects of the company are:

- i) To advance the Christian faith
- ii) To relieve those who are in conditions of need, hardship or who are aged or sick
- iii) To advance education in accordance with Christian principles
- iv) To promote other charitable objects as decided by the directors from time to time

Directors

The above named have served during the year. The directors of the company are also the trustees of the charitable activities.

Statement of Directors' Responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with the applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors 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 of the charitable company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The directors are responsible for keeping proper accounting records that 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 1985. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

SALT & LIGHT MINISTRIES

REPORT OF THE DIRECTORS AND GENERAL INFORMATION (continued)

Review of Activities

Our mission statement is to 'equip the church, extend God's kingdom, and bless the nations'. This is worked out practically by providing training and equipping for church leaders and members of all ages across our family of Christian churches in the United Kingdom and internationally. Each year we initiate a number of focussed events which are designed to achieve this aim, sharpening life skills and helping people to better serve, and engage with, their local communities in a variety of ways. The charity also runs the King's Bible College and Training Centre specifically to provide theological and practical training for all areas of church work – the main courses run for one year, with the additional option to attend short study breaks within the course. The charity also has an overseas missionary arm known as Church Relief International, which is specifically engaged in medical, educational and other relief projects in Developing Countries.

During the past year, over 3,000 people have attended various events and courses, receiving training, equipping, and encouragement in many areas of life including family, marriage, parenting, theology, pastoral and counselling skills, working with young people, etc. Church Relief International has facilitated support to various projects in developing countries, including schools, orphanages, medical clinics and hospitals in several African and other developing countries as well as responding to other urgent appeals.

The charity would see its work continuing and expanding into the future.

Financial Review

During the year the charity has received donations and other income amounting to £800,436 and has incurred expenditure of £807,331. The charity is largely dependent on voluntary support from the family of churches, and this is gratefully acknowledged by the directors.

Reserves

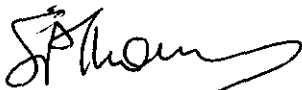
The charity receives the majority of its income through regular donations and these are likely to continue to meet or exceed budgeted expenditure. Additionally the trustees seek to hold adequate reserves to meet unforeseen expenditure.

Risk Management

The trustees have reviewed the major risks to which the charity is exposed and have taken steps to mitigate the potential impact of these.

The directors have prepared this report in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the Directors on 13th February 2007
Signed on behalf of the Directors



Stephen P Thomas
Director

SALT & LIGHT MINISTRIES

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

We have audited the financial statements of Salt & Light Ministries for the year ended 31st July 2006 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2005).

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 the Directors and Auditors

The directors (who also act as trustees of the charitable activities of Salt & Light Ministries) are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and their responsibilities are set out in the Statement of Directors' 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 and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 directors' remuneration and other transactions is not disclosed.

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

Basis of Audit Opinion

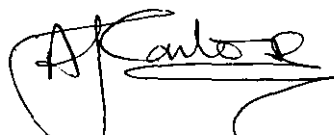
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the 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 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 applicable to smaller entities, of the state of the charitable company's affairs as at 31st July 2006 and of its incoming resources and application of resources for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.



Chartered Accountants
and Registered Auditors

A J Carter & Co
22b High Street
Witney
Oxon OX28 6RB
13th February 2007

SALT & LIGHT MINISTRIES

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 July 2006

Notes	Unrestricted Funds			2006	2005
	<i>General</i>	<i>Designated</i>	<i>Restricted</i>	<i>Total</i>	<i>Total</i>
	£	£	Funds	Funds	Funds
			£	£	£
INCOMING RESOURCES					
1	Voluntary Income - Gifts and donations	64,123	0	288,939	353,062
	Investment Income	5,970	0	4,433	10,403
3	Charitable Activities	19,669	267,692	149,610	436,971
	Total Incoming Resources	<u>89,762</u>	<u>267,692</u>	<u>442,982</u>	<u>800,436</u>
RESOURCES EXPENDED					
4	Charitable Activities	79,190	268,786	457,592	805,568
	Governance Costs	1,863	0	(100)	1,763
	Total Resources Expended	<u>81,053</u>	<u>268,786</u>	<u>457,492</u>	<u>807,331</u>
NET INCOMING / (OUTGOING)					
	RESOURCES BEFORE TRANSFERS	<u>8,709</u>	<u>(1,094)</u>	<u>(14,510)</u>	<u>(6,895)</u>
	Transfers between funds	(1,207)	(793)	2,000	0
	NET MOVEMENT IN FUNDS	<u>7,502</u>	<u>(1,887)</u>	<u>(12,510)</u>	<u>(6,895)</u>
	Total funds brought forward	<u>12,173</u>	<u>4,060</u>	<u>511,790</u>	<u>528,023</u>
	TOTAL FUNDS CARRIED FORWARD	<u>19,675</u>	<u>2,173</u>	<u>499,280</u>	<u>521,128</u>

There were no recognised gains or losses other than those included in the Statement of Financial Activities.

The notes on pages 6 to 10 form part of these financial statements.

SALT & LIGHT MINISTRIES

BALANCE SHEET

For the year ended 31 July 2006

Notes		2006	2005
		£	£
	FIXED ASSETS		
5	Tangible fixed assets	366,148	373,798
	CURRENT ASSETS		
	Stock	14,000	11,000
7	Debtors and prepayments	15,131	58,041
	Bank and cash balances	171,935	357,548
		<u>201,066</u>	<u>426,589</u>
8	CREDITORS: Amounts falling due within one year	24,565	149,872
	NET CURRENT ASSETS	176,501	276,717
	TOTAL ASSETS LESS CURRENT LIABILITIES	<u>542,649</u>	<u>650,515</u>
9	CREDITORS: Amounts falling due after one year	(21,521)	(122,492)
	NET ASSETS	<u>521,128</u>	<u>528,023</u>
	Represented by FUNDS:		
	Unrestricted Funds:		
	General fund	19,675	12,173
10	Designated Funds	<u>2,173</u>	<u>19,204</u>
		21,848	31,377
11	Restricted Funds	499,280	496,646
		<u>521,128</u>	<u>528,023</u>

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The notes on pages 6 to 10 form part of these financial statements.

Approved by the Board on 13th February 2007 (and signed on their behalf)



Michael C Poulton
Director

SALT & LIGHT MINISTRIES

NOTES TO THE ACCOUNTS

For the year ended 31 July 2006

1 Accounting Policies

i) Accounting Convention

These accounts have been prepared under the historic cost convention and in accordance with the Companies Act 1985, applicable accounting standards and the Statement of Recommended Practice Accounting Reporting by Charities (revised 2005) and the Financial Reporting Standards for Smaller Entities (effective January 2005). The accounts are prepared on an accruals basis and income and expenditure are included as they are earned or incurred.

ii) Voluntary Income

Gifts and donations are recognised as income when received, together with the associated tax credit.

iii) Funds

Restricted Funds are separately identified and appropriately described. General Funds are not subject to any restrictions regarding their use and are available for application to the general purposes of the charity.

iv) Fixed Assets and Depreciation

Fixed assets over £1,000 are capitalised and depreciation is calculated to write off the cost over the estimated useful life as follows

Property	2% straight line per annum
Equipment	25% straight line per annum

v) Reserves

The charity receives the majority of its income through regular donations and these are likely to continue to exceed budgeted expenditure. Additionally the trustees seek to hold adequate reserves to meet unforeseen expenditure.

2 Transactions with Directors

During the year payments were made to one of the directors:

B Coombs £16,373

There were no other transactions with directors which require separate disclosure.

	Unrestricted Funds		Restricted	Total	
	General	Designated	Funds	2006	2005
	£	£	£	£	£
3 Incoming Resources from Charitable Activities					
Books and tape/CD sales	6,090	0	2,239	8,329	6,464
Training & Events	13,579	267,692	0	281,271	90,372
King's Bible College & Training Centre	0	0	147,371	147,371	174,295
	<u>19,669</u>	<u>267,692</u>	<u>149,610</u>	<u>436,971</u>	<u>271,131</u>

4 Resources Expended on Charitable Activities

Ministry & Development	79,190	0	24,469	103,659	93,520
Church Relief International	0	0	231,827	231,827	164,122
Training & Events	0	268,786	0	268,786	90,289
King's Bible College & Training Centre	0	0	201,296	201,296	198,406
	<u>79,190</u>	<u>268,786</u>	<u>457,592</u>	<u>805,568</u>	<u>546,337</u>

SALT & LIGHT MINISTRIES

NOTES TO THE ACCOUNTS

For the year ended 31 July 2006

5 Analysis of Fixed Assets

	Freehold Property £	Furnishings and Equipment £	Total £
Cost			
At 1 August 2005	384,738	13,700	398,438
Additions	0	302	302
Disposals	0	(25)	(25)
At 31 July 2006	<u>384,738</u>	<u>13,977</u>	<u>398,715</u>
Accumulated Depreciation			
At 1 August 2005	15,390	9,250	24,640
Charge for the year	5,130	2,810	7,940
Depreciation on disposals	0	(12)	(12)
At 31 July 2006	<u>20,520</u>	<u>12,047</u>	<u>32,567</u>
Net Book Value			
At 31 July 2006	<u>364,218</u>	<u>1,930</u>	<u>366,148</u>
At 31 July 2005	<u>369,348</u>	<u>4,450</u>	<u>373,798</u>

The charity owns two houses used for student accommodation for the King's Bible College & Training Centre.

6 Other Disclosures

The net incoming resources figure for the year is after charging:
Auditor's remuneration

	2006 £	2005 £
Auditor's remuneration	<u>1,850</u>	<u>1,750</u>
<i>Staff costs</i>		
Salaries	132,443	129,336
Social Security	10,535	10,100
Other employment costs and expenses	<u>7,966</u>	<u>8,236</u>
	<u>150,944</u>	<u>147,672</u>
<i>Number of staff (whole time equivalent)</i>		
Ministry Support	1.5	1.5
King's Bible College & Training Centre	<u>3.5</u>	<u>3.3</u>
	<u>5.0</u>	<u>4.8</u>

7 Debtors

Debtors and prepayments	8,399	4,338
Euronet/uk event	500	44,389
Gift Aid Tax reclaim	<u>6,232</u>	<u>9,314</u>
	<u>15,131</u>	<u>58,041</u>

SALT & LIGHT MINISTRIES

NOTES TO THE ACCOUNTS

For the year ended 31 July 2006

	2006 £	2005 £
8 Creditors: Amounts falling due within one year		
Creditors and Accruals	8,781	7,475
Euronet/uk event	0	126,871
Bank Loan (capital and interest)	15,784	15,526
	<u>24,565</u>	<u>149,872</u>
9 Creditors: Amounts falling due after one year		
Bank Loan (capital and interest) repayable in monthly instalments		
Repayable between two and five years	21,521	62,103
Repayable in five years or more	0	60,389
	<u>21,521</u>	<u>122,492</u>

The bank loan is secured on two houses owned by the charity and used for student accommodation.
The capital outstanding was reduced during the year by repaying £90,000 from reserves

10 Designated Funds

	Opening Balance £	Incoming Resources £	Outgoing Resources £	Transfers £	Closing Balance £
European Leaders' Conference	0	69,876	68,524	(1,352)	0
Prayer Days	0	2,676	3,186	510	0
European Team meetings	0	1,710	2,093	383	0
Euro.net/uk	0	149,693	149,399	(294)	0
Euro.net/france	414	6,946	7,690	0	(330)
Ultimate Intention	0	7,116	6,564	(552)	0
Off the Edge	0	14,845	16,422	1,577	0
Youth Leaders' Conference	0	4,773	4,881	108	0
Theological Forum	0	1,069	897	(172)	0
Pastoral Training	3,646	8,988	9,130	(1,000)	2,503
Total	<u>4,060</u>	<u>267,692</u>	<u>268,786</u>	<u>(793)</u>	<u>2,173</u>

SALT & LIGHT MINISTRIES

NOTES TO THE ACCOUNTS

For the year ended 31 July 2006

11 Restricted Funds

	Opening Balance	Incoming Resources	Outgoing Resources	Transfers	Closing Balance
	£	£	£	£	£
Ministry Support					
B. Coombs	2,138	18,182	16,373	0	3,948
European Development	10,090	29,979	8,926	0	31,143
Training and Releasing Youth	3,983	0	600	0	3,383
International Fund	15,144	2,239	(1,429)	2,000	20,812
<i>Sub-total</i>	<u>31,355</u>	<u>50,401</u>	<u>24,470</u>	<u>2,000</u>	<u>59,286</u>
Church Relief International					
General Fund	23,261	19,346	6,975	(6,000)	29,632
NHU general	845	2,699	2,849	0	695
NHU sponsorship	2,334	20,641	19,274	0	3,700
NHU food & clothing	315	1,763	1,900	0	178
NHU other	74	2,355	2,409	0	20
JOY Medical	240	240	460	0	20
J White Medical	5,767	23,837	29,454	0	150
J White Personal	0	11,364	10,684	0	680
Mengo	2,026	12,704	13,064	0	1,666
Kiwoko Hospital	0	1,069	917	0	152
Burundi Child Care	3,135	5,454	7,358	0	1,230
Congo School	0	488	488	0	0
Zimbabwe	710	7,338	7,111	0	937
Kenya	0	1,378	914	0	464
India - Sahaara trust	665	1,725	2,210	0	180
Pakistan appeal	0	5,200	5,200	0	0
<i>Sub-total</i>	<u>39,371</u>	<u>117,602</u>	<u>111,269</u>	<u>(6,000)</u>	<u>39,704</u>
Church Relief International Education					
General fund	2,477	2,923	1,822	2,000	5,578
John Yawe	360	22,024	21,315	0	1,069
John Bosco	0	385	225	0	160
Ketty's Children	742	0	272	0	470
Mabel Niagaga	759	3,102	3,163	0	698
Mbarara building	0	960	640	0	320
Kigali School Building	12,007	23,730	34,940	1,000	1,797
Kigali School Sponsorship	3,371	30,967	30,495	0	3,843
Uganda - other education projects	0	8,993	8,993	0	0
Lugazi	0	2,400	2,400	0	0
Good Samaritan Lusaka	121	729	0	0	850
Salem School	128	176	3,254	3,000	50
Helping Hands	6,835	6,986	13,039	0	782
<i>Sub-total</i>	<u>26,799</u>	<u>103,374</u>	<u>120,558</u>	<u>6,000</u>	<u>15,616</u>
King's Bible College and Training Centre					
General Fund	17,286	101,456	135,520	29,185	12,407
Property Fund	385,150	49,436	50,310	(24,500)	359,776
Bursaries and Hardship Fund	8,545	5,346	1,240	(5,335)	7,316
Mission	615	11,797	11,618	650	1,444
Ministry	221	3,445	2,049	0	1,616
Library	2,448	125	459	0	2,115
<i>Sub-total</i>	<u>414,265</u>	<u>171,605</u>	<u>201,196</u>	<u>0</u>	<u>384,674</u>
Total	<u>511,790</u>	<u>442,982</u>	<u>457,492</u>	<u>2,000</u>	<u>499,280</u>

SALT & LIGHT MINISTRIES

NOTES TO THE ACCOUNTS

For the year ended 31 July 2006

12 Analysis of Net Assets Between Funds

	Unrestricted Funds		Restricted	Total	
	General	Designated	Funds	2006	2005
	£	£	£	£	£
Fixed Assets	0	0	366,148	366,148	373,798
Net Current Assets	19,675	2,173	154,653	176,501	276,717
Long Term Liabilities	0	0	(21,521)	(21,521)	(122,492)
	<u>19,675</u>	<u>2,173</u>	<u>499,280</u>	<u>521,128</u>	<u>528,023</u>