



Salt and Light Ministries
a family of churches together on mission
www.saltlight.org/uk

ANNUAL REPORT AND ACCOUNTS

Financial Year 2017/18



**SALT AND LIGHT MINISTRIES
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018**

Principal Activity

The principal activity of the company is 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, and a company registered in England and Wales under registration number 3603373.

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

- M Greig
- M Harland
- M K Pearson
- S P Thomas
- M Nash

The above named have served during the year. The Directors of the company are also the trustees of the charitable activities. The Directors are kept informed of the activities and performance of the charitable company and provided with regular management information. The composition of the Board is kept under review and additional appointments will be made should the need arise. All Directors are made aware of their responsibilities.

Persons of Significant Control

In line with recent changes to legislation we have created a register of persons of significant control and submitted their details as part of our Companies House return. These persons (who hold the right to appoint or remove the majority of the board of directors of the company) are therefore identical to our Members

Members

The Members of the charity are the leaders of the Spheres on whose behalf the national framework is run. They are.

- A Barclay-Watt
- S Thomas
- M Dunkley
- S Jones
- P Norris
- D Richards
- M Mumford

Administrative details

Key Staff: Oliver Russell and Andy O'Connell

Registered Office: The Goldmine Centre, Lower Hall Lane, Walsall, England, WS1 1RL

Independent Examiners: Jacob Farley ACA, Stewardship, 1 Lamb's Passage, London, EC1Y 8AB

Bankers: Barclays Bank PLC

SALT AND LIGHT MINISTRIES
DIRECTORS REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2018

Review of Activities

We aim to be a 'family of families' – churches together on mission, equipping the church, extending God's kingdom, and blessing 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. Every year, people attend 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.

We are comprised of five spheres in the UK. These are the primary points of connection and belonging for churches and individuals with the spheres increasingly defining their own identity. A key role of Salt and Light is to foster connection and accountability between the leadership teams of these spheres.

We have transferred much of the activity that in previous years the national body has done to these spheres and have focussed our attention on how to maximise their effectiveness.

We have run events for emerging apostolic leaders and in the next financial year will also run a national camp for the youth from across the spheres and a national leaders conference.

We have worked throughout the year to provide King's School of Theology with a stable basis to operate as an independent charity. Trustees have been identified and the application is with the Charity Commission.

We have also substantially transferred the work of our overseas missionary arm (Church Relief International) to three UK charities who will be carrying on that work (Henley Baptist Church, Basingstoke Community Churches and New Hope Uganda UK). We are continuing to ensure that funds designated for those projects reach the relevant organisation.

These changes are requiring us to ask for significantly less financial support from our member churches and to reduce accordingly our expenditure including on staffing.

Financial Review

During the year the charity has received donations and other income amounting to £170,620 (exc. KST £82,240) and has incurred expenditure of £171,352 (exc. KST £90,639). The charity is largely dependent on voluntary support from many individuals and the family of churches, and this is gratefully acknowledged by the Directors.

Reserves

The Directors seek to hold adequate reserves to meet three months operating costs and a sum for emergency property costs (approximately £30,000 total). Free reserves held totalled £7,362, including £9,674 of cash (exc KST). Although below the target reserves, the directors are confident of the going concern of the charity, as KST looks to establish itself as a separate legal entity and funding set aside for this activity will no longer be required by Salt and Light Ministries who will then be able to bolster reserves. In addition, future costs are likely to fall, impacting the reserves required as overall activities decrease.

Risk Management

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

Public Benefit

The Directors have considered the guidance provided by the Charity Commission regarding public benefit and the work of the charity (in particular the specific guidance on charities for the advancement of religion).

SALT AND LIGHT MINISTRIES
DIRECTORS REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2018

Statement of Directors' Responsibilities

The Directors (who are also trustees of the charitable activities for the purposes of charity law) are responsible for preparing the directors' report and the financial statements in accordance with general applicable law and United Kingdom Accounting Standards (United Kingdom General Accepted Accounting Practice).

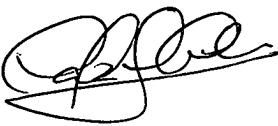
Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources of the charitable company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments 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 in business.

The Directors are responsible for keeping adequate 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 2006. They are also responsible for safekeeping the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors have prepared this report in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

This report is to be submitted for approval by the Directors on 28th May 2019 and signed on their behalf by Mark Nash.



M. S. Nash

28.5.2019

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF

SALT AND LIGHT MINISTRIES

('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 August 2018 on pages 5 to 19 following, which have been prepared on the basis of the accounting policies set out on page 7 to 9.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Jacob Farley ACA
Institute of Chartered Accountants in England and Wales

29 May 2019

For and on behalf of:
Stewardship
1 Lamb's Passage
London
EC1Y 8AB

SALT AND LIGHT MINISTRIES
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £	Total Funds 2017 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	68,069	11,794	79,862	211,744
Charitable activities	4	138,301	-	138,301	327,744
Investments	5	34,000	-	34,000	32,000
Other income		696	-	696	473
Total income and endowments		241,066	11,794	252,860	571,960
EXPENDITURE ON:					
Charitable activities	8	219,741	38,852	258,594	588,209
Raising funds	7	3,397	-	3,397	9,378
Total expenditure		223,139	38,852	261,991	597,587
Net income/(expenditure)		17,928	(27,058)	(9,131)	(25,627)
Transfers between funds	16	10,000	(10,000)	-	-
Net movement in funds		27,928	(37,058)	(9,131)	(25,627)
Reconciliation of funds:					
Total funds brought forward		753,209	50,097	803,306	828,933
Total funds carried forward	16	781,137	13,039	794,176	803,306

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

All income and expenditure derive from continuing operations.

The statement of financial activities also complies with the requirements for an income and expenditure account required by the Companies Act 2006.

The notes on page 7 - 19 form part of these accounts.

SALT AND LIGHT MINISTRIES

BALANCE SHEET

AS AT 31 DECEMBER 2018

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £	Total Funds 2017 £
FIXED ASSETS					
Investments	9	700,000	-	700,000	700,000
Social investments	10	20,000	-	20,000	-
		<u>720,000</u>	<u>-</u>	<u>720,000</u>	<u>700,000</u>
CURRENT ASSETS					
Debtors	11	5,270	-	5,270	26,375
Cash at bank and in hand	12	58,929	13,039	71,968	138,565
		64,199	13,039	77,238	164,940
CREDITORS: Amounts falling due within one year	13	3,062	-	3,062	61,633
Net current assets / (liabilities)		<u>61,137</u>	<u>13,039</u>	<u>74,176</u>	<u>103,306</u>
Total assets less current liabilities		<u>781,137</u>	<u>13,039</u>	<u>794,176</u>	<u>803,306</u>
TOTAL NET ASSETS		<u>781,137</u>	<u>13,039</u>	<u>794,176</u>	<u>803,306</u>
FUND BALANCES	16				
Unrestricted Funds					
General funds		727,362	-	727,362	745,998
Designated funds		53,775	-	53,775	7,211
		<u>781,137</u>	<u>-</u>	<u>781,137</u>	<u>753,209</u>
Restricted Funds		-	13,039	13,039	50,097
		<u>781,137</u>	<u>13,039</u>	<u>794,176</u>	<u>803,306</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 August 2018 in accordance with Section 476 of the Companies Act 2006 however, in accordance with Section 145 of the Charities Act 2011, the accounts have been examined by an independent examiner and their report has been included in these financial statements.

The directors (who are the charitable company's trustees for the purposes of charity law) acknowledge their responsibilities for:

- ensuring that the charitable company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its net income or expenditure for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 28th May 2019 and were signed on its behalf by:



Mark Nash

Company number: 3603373
Charity number: 1071600

The notes on page 7 - 19 form part of these accounts.

SALT AND LIGHT MINISTRIES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2018

1 Statutory Information

The charity is a charitable company limited by guarantee and is incorporated in the United Kingdom. The company's registered number and registered office address can be found on the Company Information page.

2 Accounting Policies

These financial statements are prepared on a going concern basis, under the historical cost convention as modified by the revaluation of certain assets, which are measured at fair value through the Statement of Financial Activities.

These financial statements have been prepared in accordance with the "Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ("the Charities SORP")", with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102"), with the Companies Act 2006 and with the Charities Act 2011. The charity meets the definition of a public benefit entity as set out in FRS 102.

The principles adopted in the preparation of the financial statements are set out below.

a) Going concern

The trustees (who are the charitable company's directors for the purposes of company law) have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and the possible implications should projected income and / or expenditure vary unexpectedly. The trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

b) Income

Income including investment income is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part, income is generally recognised when it is received. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Income from donations and legacies includes:

- i) Recoverable gift aid. This is recognised when the related donation is received. Gift aid that has not been recovered by the balance sheet date is included as a debtor.
- ii) Donated facilities, services and goods. The charity relies on volunteers to carry out many of its activities, particularly events and conferences activities. However, in accordance with the SORP, the value of these services has not been included in these financial statements as they cannot be reliably measured.

Income from charitable activities represents income receivable from goods, services and facilities supplied in furtherance of the charity's charitable objects. It includes income from events, conferences and Kings School of Theology.

Investment income represents income generated by the charity's assets and includes income from letting the charity's property.

SALT AND LIGHT MINISTRIES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2018

2 Accounting Policies (continued)

c) Expenditure

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

The charity makes grants to other institutions and individuals to further its charitable objectives. Grants payable are recognised as constructive obligations arise, which is generally when the charity expresses a commitment to the recipient that can be measured reliably and then only to the extent that any conditions associated with the grant are outside of the control of the charity.

Expenditure on raising funds comprises the costs incurred on commercial trading activities, fundraising and managing investments.

The charity's overheads, being costs that have not been incurred directly on a charitable activity, have been disclosed separately in the notes under the heading 'Costs incurred on support and administration'. These costs have been allocated to the charity's various activities using an appropriate basis such as the relative use of space and / or personnel.

Governance costs, which are included in expenditure on charitable activities but are identified separately in the notes to the accounts, includes costs associated with the independent examination of the financial statements, compliance with constitutional and statutory requirements and any other expenditure incurred on the strategic management of the charity.

d) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects. Endowment funds are donations that are retained as capital in accordance with the donor's wishes. The nature of the restriction determines whether the endowments represent permanent endowments or expendable endowments.

e) Tangible fixed assets

Items purchased or donated for the charity's own use are capitalised when the cost of purchased items, or the fair value of donated items, is more than £5,000 and the item is expected to benefit the charity over more than one accounting period. Depreciation is charged on a straight line basis so as to write down the value of each asset to its estimated residual value (if any) over its expected useful economic life.

The carrying values of tangible fixed assets are reviewed for impairment in periods when events or changes in circumstances indicate that the carrying value may not be recoverable.

SALT AND LIGHT MINISTRIES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2018

2 Accounting Policies (continued)

f) Investments

Fixed asset investments are held to generate income and / or for their investment potential. Current asset investments are investments that are held specifically for sale or are investments that the charity expects to sell by the next balance sheet date. Investments, other than social investments (see below), are valued as follows:

- i) Investment property and listed investments are valued at their market value (fair value) at the balance sheet date.

Social investments are investments where the primary motive is to further the charity's objects, not to generate an investment return. Social investments comprise:

- i) Concessionary loans. These are initially recognised as the amount paid and thereafter the carrying value at every balance sheet date is adjusted for repayments, interest charges and provisions for impairment if the amount owed may not be fully recoverable.

Impairment losses and losses arising on the disposal of social investments are included in the Statement of Financial Activities under the heading 'Expenditure on charitable activities'. Gains arising on the disposal of social investments are included in the Statement of Financial Activities under the heading 'Other income'. Gains and losses on investment assets are included in the Statement of Financial Activities under the heading 'Net gains / (losses) on investments'.

g) Pension scheme arrangements

The charity operates defined contribution pension schemes for its employees. Obligations for contributions to these schemes are recognised as an expense when the liability arises. The assets of these schemes are held separately from those of the charity in independently administered funds.

h) Taxation

The company is a registered charity; it has taken advantage of the various reliefs from taxation available to charities and no tax is payable on the charity's income.

i) Financial Instruments

The charity's financial assets and financial liabilities all qualify as basic financial instruments, as defined by FRS102. Except for loans, creditors and debtors are measured at their expected settlement value (normally the amount of cash that the charity expects to pay or receive). The charity recognises liabilities for the principal of those loans that remains outstanding at the year end (i.e. the liabilities exclude any interest chargeable on the loans in future years).

j) Exemption from preparing a cashflow statement

The charity has taken advantage of an exemption conferred by the Charities SORP and has not prepared a cash flow statement.

k) Critical accounting estimates and areas of judgement

In preparing financial statements certain judgements, estimates and assumptions have to be made that affect the amounts recognised in the financial statements. The trustees consider the following to be significant:

- i) The valuation of fixed asset investments and the recoverability of social investments. These estimates are re-assessed annually and the valuations are adjusted to reflect current expectations of the fair value of each.
- ii) The constructive obligation for grants payable is based on an assessment of the likely duration of the supported activity. Again this estimate is re-assessed annually and the obligation is adjusted to reflect current expectations.

SALT AND LIGHT MINISTRIES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2018

3	Donations and legacies	Unrestricted	Restricted	Total	Total		
		Funds	Funds	2018	2017		
		£	£	£	£		
		Donations of cash and similar	68,069	10,146	78,214	191,975	
		Income tax recoverable	-	1,648	1,648	19,769	
		<u>68,069</u>	<u>11,794</u>	<u>79,862</u>	<u>211,744</u>		
4	Income from charitable activities	Unrestricted	Restricted	Total	Total		
		Funds	Funds	2018	2017		
		£	£	£	£		
		Events and Conferences	56,061	-	56,061	243,472	
		King's School of Theology	82,240	-	82,240	84,272	
		<u>138,301</u>	<u>-</u>	<u>138,301</u>	<u>327,744</u>		
5	Investment income	Unrestricted	Restricted	Total	Total		
		Funds	Funds	2018	2017		
		£	£	£	£		
		Property letting	34,000	-	34,000	32,000	
			<u>34,000</u>	<u>-</u>	<u>34,000</u>	<u>32,000</u>	
6	Analysis of expenditure	Events and	King's School	Administration	International	Total	
		Conferences	of Theology		aid	Charitable	
						Expenditure	
						2018	
		Incurred directly on activities					
		Staff costs	644	30,216	60,387	-	91,246
		Direct costs	56,068	52,441	2,417	-	110,926
		Grants payable (note 6b)	-	-	26,883	10,074	36,957
		Support costs					
		Office costs	143	585	556	143	1,427
		Sundry and bank charges	1,002	4,107	3,906	1,002	10,016
		Governance and Administration	802	3,289	3,128	802	8,022
			<u>58,659</u>	<u>90,639</u>	<u>97,276</u>	<u>12,020</u>	<u>258,594</u>

SALT AND LIGHT MINISTRIES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2018

6 Analysis of expenditure (continued)

	Events and Conferences	King's School of Theology	Administration	International aid	Total Charitable Expenditure 2017
Incurring directly on activities					
Staff costs	51,608	35,814	53,588	-	141,011
Direct costs	207,486	59,645	17,667	-	284,798
Grants payable (note 6b)	-	-	9,828	100,413	110,241
Support costs					
Office costs	9,699	6,626	10,237	1,883	28,446
Sundry and bank charges	6,154	1,067	1,673	459	9,353
Governance and Administration	4,358	3,337	5,231	1,436	14,361
	<u>279,304</u>	<u>106,490</u>	<u>98,224</u>	<u>104,191</u>	<u>588,209</u>

In addition to the fees payable for the preparation and examination of the accounts, the charity paid £90 (2017: £50) to Stewardship for consultancy services.

6b Grants payable

	Institutions £	Individuals £	2018 £
Grants for UK and overseas mission	25,000	1,883	26,883
Grants for the relief of poverty	5,364	-	5,364
Grants for education, including ministry training	-	4,710	4,710
	<u>30,364</u>	<u>6,593</u>	<u>36,957</u>

The comparatives for the previous year are as follows:

	Institutions £	Individuals £	2017 £
Grants for UK and overseas mission	9,504	324	9,828
Grants for the relief of poverty	51,129	2,023	53,152
Grants for education, including ministry training	-	47,261	47,261
	<u>60,633</u>	<u>49,607</u>	<u>110,241</u>

The charity's principal grants to institutions comprised:

	2018 £	2017 £
New Hope Uganda	998	24,536
Mengo	4,366	13,021
Open Doors	-	6,161
Deliverance Church, Kenya	-	7,411
Oxford Community Churches	-	4,000
Upbeat Communities limited	-	4,000
Salt and Light, NE Leeds	-	1,504
Taking Ground	8,000	-
Other Salt and Light Spheres	16,000	-
Evangelical Alliance	1,000	-
	<u>30,364</u>	<u>60,633</u>

SALT AND LIGHT MINISTRIES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2018

7 Cost of raising funds	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
Costs of maintaining investment property	3,397	-	3,397	9,378
	<u>3,397</u>	<u>-</u>	<u>3,397</u>	<u>9,378</u>

8 Analysis of staff costs, the cost of key management personnel and trustee remuneration and expenses

	2018 £	2017 £
Gross wages and salaries	48,611	131,420
Social security	300	4,907
Pension costs	2,697	6,516
	<u>51,608</u>	<u>142,843</u>

The average monthly number of employees during the year was 3 (2017: 9). Most of the charity's activities are carried out by volunteers.

No staff received salaries at a rate of more than £60,000 per annum.

The charity's key management comprise the trustees and the key staff named in the annual report. Total employment benefits payable to key management for the year were £42,943 (2017: £21,804).

No trustees received employment benefits in either the current or preceding year.

9 Fixed asset investments	Investment Property	2018 £	2017 £
Cost or fair value brought forward	700,000	700,000	700,000
Change in value of investments	-	-	-
Provision for impairment	-	-	-
Cost or fair value carried forward	<u>700,000</u>	<u>700,000</u>	<u>700,000</u>

The charity owns two houses that had previously been used for bible college student accommodation. The houses are currently let to a related charity and ongoing usage is kept under review. As at 31st August 2018 the directors consider the current market value of these properties to be £700,000 and this is supported by valuations from a local estate agent made in the year to 31 August 2016.

SALT AND LIGHT MINISTRIES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2018

10 Social investments	2018	2017
	£	£
Cost, less Impairment, brought forward	-	-
Loans made in the year	20,000	-
Loans repaid in the year	-	-
Provision for impairment	-	-
Cost, less impairment, carried forward	<u>20,000</u>	<u>-</u>
These loans are repayable as follows:		
Within one year	4,167	-
After one year	<u>15,833</u>	<u>-</u>
	<u>20,000</u>	<u>-</u>

Social investments comprise a concessionary loan made to a charity to help it expatriate a church leader into a new UK church plant. This loan is repayable in instalments beginning in March 2019 and completed by March 2021; it is unsecured and is interest free. The amount of loan credit offered to the charity was £40,000 of which £20,000 was paid across during the year. Subsequent to the yearend a restructure of loan repayments was granted.

11 Debtors: Falling due within one year:	2018	2017
	£	£
Tax recoverable	-	6,119
Other debtors	750	4,102
Prepayments and accrued income	<u>4,520</u>	<u>16,154</u>
	<u>5,270</u>	<u>26,375</u>

12 Cash at Bank and in Hand	2018	2017
	£	£
Cash at bank with immediate access	71,968	5,000
Notice deposits (with a term of three months or less)		<u>133,565</u>
	<u>71,968</u>	<u>138,565</u>

13 Creditors: liabilities falling due within one year	2018	2017
	£	£
Trade creditors	-	36,613
Accruals	2,240	9,841
Grant obligations	<u>822</u>	<u>15,179</u>
	<u>3,062</u>	<u>61,633</u>

SALT AND LIGHT MINISTRIES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2018

14 Deferred income

Deferred income comprises the following:

	2018	2017
	£	£
Balance at the beginning of the reporting period	-	56,969
Amount released to income	-	(56,969)
Amount deferred in year	-	-
Balance at the end of the reporting period	<u>-</u>	<u>-</u>

The movement in deferred income represents release of income deferred for the annual transform conference, which was held in 2017, when the income was duly recognised.

15 Pension commitments

During the year employer's pension contributions totalling £2,697 (2017: £6,516) were payable to defined contribution personal pension schemes. No pension contributions were owing at the balance sheet date (2017:

SALT AND LIGHT MINISTRIES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2018

16 Funds

During the year the movements in the charity's funds were as follows:

	Opening balance 2018 £	Incoming resources 2018 £	Outgoing resources 2018 £	Transfers in the year 2018 £	Closing balance 2018 £
<i>Designated Funds</i>					
Rooted	-	5,494	(150)	10,000	15,344
UK Leaders' Conference	-	7,987	(11,818)	3,831	-
International Leaders	-	40,755	(46,025)	5,269	-
Transform summer camp	-	1,825	-	-	1,825
King's School of Theology	5,537	82,240	(90,639)	20,000	17,138
KST bursary	1,675	7,102	-	-	8,777
International Operations	-	8,647	(956)	3,000	10,691
Total Designated Funds	7,211	154,050	(149,587)	42,100	53,775
<i>General Unrestricted Funds</i>	745,998	87,016	(73,551)	(32,100)	727,362
Total Unrestricted Funds	753,209	241,066	(223,139)	10,000	781,137
<i>Restricted Funds</i>					
Ministry Support					
UK Development Fund	40,886	1,450	(26,895)	(10,000)	5,441
International Development Fund	3,824	-	(1,883)	-	1,941
Sub-total	44,710	1,450	(28,778)	(10,000)	7,382
Church Relief International					
CRI General Fund	5,387	270	-	-	5,657
New Hope Uganda (NHU) general	-	998	(998)	-	-
Pearls of Africa	-	4,366	(4,366)	-	-
Sub-total	5,387	5,634	(5,364)	-	5,657
Church Relief International Education					
CRIE General Fund	-	4,710	(4,710)	-	-
Sub-total	-	4,710	(4,710)	-	-
Total Restricted Funds	50,097	11,794	(38,852)	(10,000)	13,039
Aggregate of funds	803,306	252,860	(261,991)	-	794,176

SALT AND LIGHT MINISTRIES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2018

16 Funds (continued)

In the previous year the movements in the charity's funds were as follows:

	Opening balance 2017 £	Incoming resources 2017 £	Outgoing resources 2017 £	Transfers in the year 2017 £	Closing balance 2017 £
<i>Designated Funds</i>					
UK Leaders' Conference	-	11,671	(11,671)	-	-
Transform summer camp	-	174,321	(144,992)	(29,329)	-
King's School of Theology	2,288	84,432	(92,933)	11,750	5,537
KST bursary	2,488	1,713	(2,526)	-	1,675
International Operations	(1,817)	3,429	(12,014)	10,403	-
GameChangers Conference	-	57,480	(50,823)	(6,657)	-
Total Designated Funds	2,959	333,045	(314,960)	(13,833)	7,211
<i>General Unrestricted Funds</i>	767,994	112,405	(155,845)	21,443	745,998
Total Unrestricted Funds	770,953	445,450	(470,804)	7,610	753,209
<i>Restricted Funds</i>					
<i>Ministry Support</i>					
B. Coombs	-	1,350	(1,350)	-	-
UK Development Fund	39,172	32,517	(23,192)	(7,610)	40,886
International Development Fund	5,202	450	(1,828)	-	3,824
Sub-total	44,374	34,317	(26,370)	(7,610)	44,710
<i>Church Relief International</i>					
CRI General Fund	3,852	14,607	(13,072)	-	5,387
New Hope Uganda (NHU) general	-	376	(376)	-	-
NHU sponsorship	-	12,765	(12,765)	-	-
NHU food & clothing	-	187	(187)	-	-
NHU other	-	3,990	(3,990)	-	-
NHU Special Needs programme	-	4,747	(4,747)	-	-
NHU Medical	-	450	(450)	-	-
NHU Baby House	-	2,021	(2,021)	-	-
Mengo	-	13,021	(13,021)	-	-
Watts Trust	3,402	7,800	(2,523)	(8,680)	-
Sub-total	7,254	59,964	(53,152)	(8,680)	5,387

SALT AND LIGHT MINISTRIES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2018

16 Funds (continued)

Church Relief International Education					
CRIE General Fund	513	-	(2,608)	2,095	-
Joy School Kampala	2,917	-	(2,917)	-	-
John Yawe	-	9,250	(9,250)	-	-
Monica's support	200	-	(4,540)	4,340	-
Margaret Musanguzi	100	-	(2,270)	2,170	-
Kigali School Sponsorship	83	5,160	(125)	(5,118)	-
Rwanda Senior Students - Flavia A/C	1,094	6,800	(10,294)	2,400	-
Rwanda Senior Students - Betty A/C	603	3,621	(6,625)	2,400	-
Rwanda - Bagaragaza School	150	1,500	(1,650)	-	-
Rwanda - Buyinza School	643	5,143	(5,860)	75	-
Betty's Children	49	225	(592)	318	-
Good Samaritan Lusaka	-	530	(530)	-	-
Sub-total	6,352	32,229	(47,261)	8,680	-
Total Restricted Funds	57,980	126,510	(126,783)	(7,610)	50,097
Aggregate of funds	828,933	571,960	(597,587)	-	803,306

Ministry Support Funds are monies given for a) Support for Barney Coombs, the founder of Salt & Light and b) Development Funds for both the UK and International parts of the church family. The transfer out of the restricted fund in the current year ended 31 August 2018 and into the Rooted designated fund is to cover future expenditure made within this charity in line with original restrictions placed on the donations.

Church Relief International and Church Relief International Education Funds include monies given specifically given to support overseas aid and education projects, the biggest of which is a children's centre - New Hope Uganda. This grant giving is made to institutions and individuals who undertake activities that further the charity's own objects. It is anticipated that all of the funds for this purpose will be distributed in the new financial year. The transfers out of the restricted fund (during the year ended 31 August 2017) have been made for reimbursing general funds following expenditure in accordance with the restrictions. The work of CRI Education has been moved to Henley Baptist Church, hence the reduction in income and expenditure in the current year.

Designated Funds are mainly training related courses or events where any final surplus or deficit are transferred to general funds. Transfers include both these final balance transfers and a management charge levied on the events to cover central costs. The International Operations fund includes costs incurred to support the international part of the church family. The transfer shows the amount given from the UK general fund.

SALT AND LIGHT MINISTRIES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2018

16 Funds (continued)

Analysis of net assets by fund

The assets and liabilities of the various funds were as follows:

	<u>Unrestricted Funds</u>			2018 £
	General funds £	Designated funds £	Restricted funds £	
Fixed asset, Investments and Social investments	720,000	-	-	720,000
Current Debtors	750	4,520	-	5,270
Cash at bank and in hand	9,674	49,255	13,039	71,968
Current liabilities	(3,062)	-	-	(3,062)
	<u>727,362</u>	<u>53,775</u>	<u>13,039</u>	<u>794,176</u>

In the previous year the assets and liabilities of the various funds were as follows:

	<u>Unrestricted Funds</u>			2017 £
	General funds £	Designated funds £	Restricted funds £	
Fixed assets	700,000	-	-	700,000
Debtors	9,806	16,154	415	26,375
Cash at bank and in hand	72,440	1,263	64,862	138,565
Current liabilities	(36,248)	(10,206)	(15,179)	(61,633)
	<u>745,998</u>	<u>7,211</u>	<u>50,097</u>	<u>803,306</u>

17 Transactions with related parties

During the year the charity:

- a) received donations totalling £nil (2017: £127) from related parties (which includes trustees, anyone closely connected to them and key management).
- b) paid no expenses (2017: £nil) to, or for, the trustees (reimbursements for expenses incurred when acting as agent for the charity or incurred when undertaking employment duties not connected with serving as a trustee are not included in this disclosure).

Except as disclosed in note 8 'Analysis of staff costs', there have been no other transactions with related parties during the year.

18 Members

Each member of the company commits to contribute if the charity is wound up an amount of £10.

SALT AND LIGHT MINISTRIES

DETAILED STATEMENT OF FINANCIAL ACTIVITIES WITH COMPARATIVES

FOR THE YEAR ENDED 31 AUGUST 2018

	Unrestricted Funds - General		Unrestricted Funds - Designated		Restricted Funds		Total Funds	Total Funds
	2018	2017	2018	2017	2018	2017	2018	2017
Note	£	£	£	£	£	£	£	£
INCOME AND ENDOWMENTS FROM:								
Donations and legacies	3	52,320	79,932	15,749	5,301	11,794	126,510	79,862
Charitable activities	4	-	-	138,301	327,744	-	-	138,301
Investments	5	34,000	32,000	-	-	-	-	34,000
Other income		696	473	-	-	-	-	696
Total income and endowments		87,016	112,405	154,050	333,045	11,794	126,510	252,860
								571,960
EXPENDITURE ON:								
Charitable activities	6	70,154	146,467	149,587	314,960	38,852	126,783	258,594
Raising funds	7	3,397	9,378	-	-	-	-	3,397
Total Expenditure		73,551	155,845	149,587	314,960	38,852	126,783	261,991
								597,587
Net income/(expenditure)		13,465	(43,439)	4,463	18,085	(27,058)	(273)	(9,131)
								(25,627)
Transfers between funds	16	(32,100)	21,443	42,100	(13,833)	(10,000)	(7,610)	-
								-
Net movement in funds		(18,635)	(21,996)	46,563	4,252	(37,058)	(7,883)	(9,131)
								(25,627)
Reconciliation of funds:								
Total funds brought forward		745,998	767,994	7,211	2,959	50,097	57,980	803,306
Total funds carried forward	16	727,362	745,998	53,775	7,211	13,039	50,097	803,306