

CATCH THE FIRE MINISTRIES (UK)
FINANCIAL STATEMENTS
FOR
31 DECEMBER 2011

Company Number 5698221
Charity Number 1113657

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COMPANIES HOUSE

FINANSURE LIMITED
The Stables Offices
Stansty Park, Summerhill Road
Wrexham LL11 4YW

CATCH THE FIRE MINISTRIES (UK)

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2011

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CATCH THE FIRE MINISTRIES (UK)

CHARITY INFORMATION

The board of trustees	Mr J G Arnott Mr F Fernando Mr J N C Pengelly Rev D A C Smith Mr S Glassborow
Registered office	264A East Lane Wembley Middlesex HA0 3LQ
Accountants	Finansure Limited The Stables Offices Stansty Park Summerhill Road Wrexham LL11 4YW
Bankers	Barclays Bank plc Chester Branch 30 St Werburgh Street Chester CH1 2DY

CATCH THE FIRE MINISTRIES (UK)

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 DECEMBER 2011

The trustees have pleasure in presenting their report and the financial statements of the charity for the year ended 31 December 2011. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities (revised 2005)" in preparing the annual report and financial statements of the charity.

GENERAL INFORMATION

The charity is a company limited by guarantee, incorporated on 4 February 2006, governed by its Memorandum and Articles of Association. It became registered as a charity on 6 April 2006.

Trustees

The trustees during the year were John Arnott, Faustin Fernando, Nick Pengelly, Duncan Smith and Stuart Glassborow. New trustees are appointed by the board of trustees in accordance with the articles of association.

OBJECTIVES, ORGANISATION AND ACTIVITIES

The objectives of the charity as laid down in the Memorandum and Articles of Association are as follows:

- a) to advance the Christian faith
- b) to relieve persons who are in conditions of need or hardship or who are aged or sick
- c) to advance education in accordance with Christian principles
- d) to promote and fulfil other charitable purposes beneficial to the community

Organisation

The trustees meet periodically, at least once a year, to oversee the work of the charity. The trustees have the power to invest the resources of the organisation in such assets as they see fit.

Related and Co-operating Charities

Catch The Fire Ministries, Toronto Airport Christian Fellowship, and Spread The Fire, all of which are NGOs based in Toronto, Canada, and Catch The Fire London, are co-operating charities of Catch The Fire Ministries (UK).

Public benefit

The charity trustees have complied with the duty in section 4 of the 2006 Charities Act to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties.

CATCH THE FIRE MINISTRIES (UK)
TRUSTEES' ANNUAL REPORT *(CONTINUED)*
YEAR ENDED 31 DECEMBER 2011

Reserves and Risk Management

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which equates to approximately three months' unrestricted expenditure. This provides sufficient funds to cover management, administration and support costs.

The trustees have considered the key operational, financial, and strategic risks that have a bearing on the charity. Suitable management information is available to the trustees on a regular basis to monitor these risks, and allow any mitigating action to be taken to address them.

FINANCIAL REVIEW OF 2011

The SOFA can be viewed on page 6 which sets out the income and expenditure for the year.

The charity's principal sources of income are donations received £154,896, Gift Aid claimed thereon £24,743, and conference fees £56,612. Total incoming resources for the year were £260,378, a 4% increase on the previous year.

The main areas of expenditure were grants payable £56,424, staff salaries £43,996, ministry fees and honoraria £30,560 and missions work £30,346. Total expenditure for the year was £267,228, a 44% increase on the previous year.

HIGHLIGHTS OF ACTIVITIES IN 2011

The charity has continued to actively pursue the objectives set out in the Memorandum and Articles of Association. In 2011 the charity has continued to experience growth in all areas but for the directors, more importantly, the previous year has been a year of true consolidation, which has been very satisfying to be a part of.

We ran numerous equipping and training events in the UK and continued our partnership with Restoring the Foundations holding healing retreats as well as working closely with local churches across the UK. The directors were part of taking the values of CTF UK to over 38 different churches and organisations. We trialled new formats for the teaching weekends, and had a successful start in Jersey for four weekends in a year. We also partnered with Jesus Culture to run a value driven concert for 3,500.

We helped with the running of week-long leaders' schools in the UK and abroad, including Sheffield, Winchester, Kenya and encouragingly in Turkey to many Iranian and Turkish leaders. The charity started working with students and held an event at Loughborough University, Westminster University, York University and Portsmouth. At Westminster we helped run the CU Freshers Fair, resourcing supplies and helping with manpower. This work was resourced by paying Dan Davison for one day a week.

Chloe Glassborow continued as the National Coordinator for Catch the Fire Ministries UK based in the London office. This role included day-to-day oversight of all Catch the Fire Activities including the administration office that continued to be based in Wembley. This was run by Kimiko King with the assistance of other part-time staff and volunteers.

CATCH THE FIRE MINISTRIES (UK)
TRUSTEES' ANNUAL REPORT (CONTINUED)
YEAR ENDED 31 DECEMBER 2011

Regional volunteers have continued to help to connect with the supporters of Catch the Fire in their regions, as well as to help organise regional events to help to further the charity's objectives. We have also consolidated the donor base by employing Sarah Strong for 4 days a week to produce newsletters, run mission trips (such as 39 people going to Kenya for medical programmes, feeding programmes and outreach) and call them.

Money has continued to be raised towards funding International Leaders' Schools (ILSOM's) in various third world countries as well as supporting humanitarian needs in countries like Niger, Albania, the Philippines, Kenya, India, Iceland and South Africa.

CLOSE COMPANY PROVISIONS

In the opinion of the trustees, the charity is a close company within the meaning of S414 Income and Corporation Taxes Act 1988 (as amended).

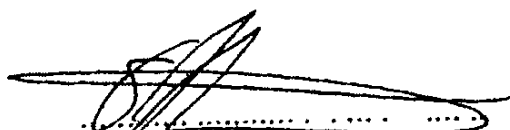
STATEMENT OF TRUSTEES' RESPONSIBILITIES

Charity law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of its financial activities for that year. In preparing those financial statements the trustees are required to:

- a) select suitable accounting policies and apply them consistently;
- b) make judgments and estimates that are reasonable and prudent;
- c) state whether the policies adopted are in accordance with the Statement of Recommended Practice, "Accounting and Reporting by Charities (revised 2005)" and with applicable accounting standards, subject to any material departures disclosed and explained in the financial statements;
- d) prepare the financial statements on the going concern basis unless it is inappropriate to assume the charity will continue operating

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

This report was approved by the trustees on 27th September 2012 and is signed on their behalf by:



Mr S Glassborow

CATCH THE FIRE MINISTRIES (UK)

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

I report on the accounts of the charity for the year ended 31 December 2011, which are set out on pages 6 to 13

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the Charities Act, and
- to state whether particular matters have come to my attention

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention

1 which gives me reasonable cause to believe that in any material respect the requirements

- to keep accounting records in accordance with section 386 of the Companies Act 2006, and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice Accounting and Reporting by Charities

have not been met, or

2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached



R M Dillamore - Chartered Accountant

Dated 27th September 2012

Finansure Limited, The Stables Offices, Stansty Park, Summerhill Road, Wrexham, LL11 4YW

CATCH THE FIRE MINISTRIES (UK)
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 DECEMBER 2011

	Note	Unrestricted Funds £	Restricted Funds £	Totals 2011 £	Totals 2010 £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	104,382	75,257	179,639	160,286
Investment income		55	-	55	-
Incoming resources from charitable activities	3	80,684	-	80,684	89,719
TOTAL INCOMING RESOURCES		<u>185,121</u>	<u>75,257</u>	<u>260,378</u>	<u>250,005</u>
RESOURCES EXPENDED					
Charitable activities					
Grants payable	4	22,504	33,920	56,424	56,509
Costs of activities	5	78,289	39,729	118,018	69,241
Support costs	6	69,629	22,017	91,646	57,856
Governance costs	7	1,140	-	1,140	1,920
TOTAL RESOURCES EXPENDED		<u>171,562</u>	<u>95,666</u>	<u>267,228</u>	<u>185,526</u>
NET INCOMING RESOURCES BEFORE TRANSFERS		13,559	(20,409)	(6,850)	64,479
Transfers between funds		176	(176)	-	-
NET INCOME / (EXPENDITURE) FOR THE YEAR		13,735	(20,585)	(6,850)	64,479
Balances brought forward		51,732	77,574	129,306	64,827
Balances carried forward		<u>65,467</u>	<u>56,989</u>	<u>122,456</u>	<u>129,306</u>

The charity has no recognised gains or losses other than the results for the year as set out above

All of the activities of the charity are classed as continuing

The notes on pages 8 to 13 form part of these financial statements

CATCH THE FIRE MINISTRIES (UK)

BALANCE SHEET

31 DECEMBER 2011

	Note	2011 £	2010 £
FIXED ASSETS			
Tangible fixed assets	11	1,122	2,130
CURRENT ASSETS			
Debtors	12	19,725	30,196
Cash at bank and in hand		108,784	102,285
		128,509	132,483
CREDITORS: Amounts falling due within one year	13	(7,175)	(5,307)
NET CURRENT ASSETS LESS CURRENT LIABILITIES		121,334	127,176
NET ASSETS	14	122,456	129,306
FUNDS			
Unrestricted funds	15	65,467	51,732
Restricted funds	15	56,989	77,574
		122,456	129,306

The trustees are satisfied that the charity is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the accounts for the year by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 of the Act.

The trustees acknowledge their responsibility for:

- (i) complying with the requirements of the Act with respect to accounting records and the preparation of accounts,
- (ii) preparing accounts which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of its net incoming or outgoing resources for the financial year in accordance with the requirements of the Act relating to financial statements, so far as applicable to the charity

These financial statements have been prepared in accordance with the provisions for companies subject to the small companies' regime, and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These financial statements were approved by the trustees on 27th September 2012 and are signed on their behalf by:



Mr S Glassborow

The notes on pages 8 to 13 form part of these financial statements.

CATCH THE FIRE MINISTRIES (UK)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2011

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared under the historical cost convention, and in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities (revised 2005)", the Financial Reporting Standard for Smaller Entities (FRSSE), effective April 2008, and the 2006 Companies Act

Company status

The charity is a company limited by guarantee, which was incorporated on 4 February 2006. The members of the company are the trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

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 and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. Investment income and gains are allocated to the appropriate fund.

Incoming resources

All incoming resources are included in the statement of financial activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. No amounts are included in the financial statements for services donated by volunteers.

Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Assets are capitalised if they have a useful life of more than one year and a cost value greater than £100.

Depreciation is provided at the following annual rates in order to write off the value of each asset over its expected useful life:

- Computers 33% straight line
- Office equipment 25% straight line

CATCH THE FIRE MINISTRIES (UK)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2011

2. VOLUNTARY INCOME

	2011 £	2010 £
Donations and gifts	154,896	135,541
Income tax recoverable	24,743	24,745
	<u>179,639</u>	<u>160,286</u>

3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2011 £	2010 £
Conference fees	56,612	69,722
Books and CD sales	10,308	17,213
Other income	13,764	2,784
	<u>80,684</u>	<u>89,719</u>

4. GRANTS PAYABLE IN FURTHERANCE OF THE CHARITY'S OBJECTS

	2011 £	2010 £
Gifts to NGOs		
- Ministry organisations	27,331	29,501
- Missions	21,600	24,433
Gifts to individuals		
- Missionaries	2,615	-
- Ministry gifts	2,304	1,250
- Other gifts (less than £500)	2,574	1,325
	<u>56,424</u>	<u>56,509</u>

CATCH THE FIRE MINISTRIES (UK)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2011

5. COSTS OF CHARITABLE ACTIVITIES

	2011 £	2010 £
Ministry fees and honoraria	30,560	8,287
Missions work	30,346	8,975
Venue hire	20,390	8,825
Rent	10,500	13,290
Cost of goods sold	7,154	26,984
Other conference costs	19,068	2,880
	<u>118,018</u>	<u>69,241</u>

6. SUPPORT COSTS

	2011 £	2010 £
Salaries	43,996	33,076
Other staff costs	-	246
Travel and accommodation	35,515	11,933
Equipment costs	1,147	-
Insurance	-	241
Printing, postage and stationery	4,623	4,476
Computer expenses	-	1,582
Telephone	1,664	1,502
Bank charges	1,881	2,507
Other expenses	1,812	1,285
Depreciation	1,008	1,008
	<u>91,646</u>	<u>57,856</u>

7. GOVERNANCE COSTS

	2011 £	2010 £
Independent examiner's fees	790	1,045
Payroll services	350	-
Legal costs	-	875
	<u>1,140</u>	<u>1,920</u>

CATCH THE FIRE MINISTRIES (UK)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2011

8 TRUSTEES' REMUNERATION AND EXPENSES

Two trustees received honoraria during the year - Mr S Glassborow £10,275 and Mr D Smith £2,177 (2010 - one trustee, Mr S Glassborow £1,150) Three trustees were reimbursed for expenses incurred during the year - Mr D Smith £21,644, Mr S Glassborow £2,579 and Mr N Pengelly £153 (2010 - two trustees totalling £787) In addition, the spouse of a trustee, Mrs C Glassborow, received £17,500 in remuneration (2010 - £12,917)

All of the above payments were authorised by other trustees in the absence of the parties concerned and were made in accordance with the Memorandum and Articles of Association

9. STAFF COSTS

	2011 £	2010 £
Wages and salaries	41,398	31,516
Social security	2,598	1,560
	<u>43,996</u>	<u>33,076</u>

No employee received emoluments, as defined for taxation purposes, amounting to over £60,000 in the tax year

The average number of employees, analysed by function, was

	2011 Number	2010 Number
Pastoral and administration	<u>4</u>	<u>3</u>

10. RELATED PARTY TRANSACTIONS

During the year the charity received £26,909 on behalf of 'Spread the Fire', a co-operating charity based in Canada (2010 - £4,898) In addition, the charity paid over £19,395 to 'Spread the Fire' during the year (2010 - £29,569), and as at 31 December 2011 the amount held on behalf of 'Spread the Fire' was £20,832 These two charities have directors in common

Also during the year, the charity received £2,528 from and paid £2,236 to 'Catch the Fire London', a co-operating charity based in the UK The charity has directors in common with CTF London

CATCH THE FIRE MINISTRIES (UK)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2011

11. FIXED ASSETS

	Computers £	Office equipment £	Total £
Cost or valuation			
At 1 January 2011	2,679	459	3,138
Additions	-	-	-
Disposals	-	-	-
At 31 December 2011	<u>2,679</u>	<u>459</u>	<u>3,138</u>
Depreciation			
At 1 January 2011	893	115	1,008
Charge for the year	893	115	1,008
Disposals	-	-	-
At 31 December 2011	<u>1,786</u>	<u>230</u>	<u>2,016</u>
Net book value			
At 31 December 2011	<u>893</u>	<u>229</u>	<u>1,122</u>
At 1 January 2011	<u>1,786</u>	<u>344</u>	<u>2,130</u>

12. DEBTORS

	2011 £	2010 £
Tax recoverable	<u>19,725</u>	<u>30,198</u>

13. CREDITORS: Amounts falling due within one year

	2011 £	2010 £
Accruals	895	1,000
PAYE creditor	<u>6,280</u>	<u>4,307</u>
	<u>7,175</u>	<u>5,307</u>

CATCH THE FIRE MINISTRIES (UK)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2011

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 December 2011 represented by			
Fixed assets	1,122	-	1,122
Current assets	71,520	56,989	128,509
Current liabilities	(7,175)	-	(7,175)
	<u>65,467</u>	<u>56,989</u>	<u>122,456</u>

15. STATEMENT OF FUNDS

	At 1 January 2011 £	Income £	Expenditure £	Transfers £	At 31 December 2011 £
Unrestricted funds					
General reserve	51,732	185,121	(171,562)	176	65,467
	<u>51,732</u>	<u>185,121</u>	<u>(171,562)</u>	<u>176</u>	<u>65,467</u>
Restricted funds					
TV fund	742	1,800	(1,342)	-	1,200
Missions	15,642	2,616	(8,700)	-	9,558
ILSOM Leicester	29,206	-	-	(29,206)	-
ILSOM Oxford	24,664	-	-	(24,664)	-
World Tour fund	7,320	-	-	(7,320)	-
Spread the Fire fund	-	26,909	(19,395)	13,318	20,832
Duncan Smith fund	-	41,863	(45,695)	29,206	25,374
Kenyan Children's Project	-	844	(19,334)	18,490	-
Specified gifts	-	1,225	(1,200)	-	25
	<u>77,574</u>	<u>75,257</u>	<u>(95,666)</u>	<u>(176)</u>	<u>56,989</u>
Total restricted funds	77,574	75,257	(95,666)	(176)	56,989
	<u>77,574</u>	<u>75,257</u>	<u>(95,666)</u>	<u>(176)</u>	<u>56,989</u>
Total funds	<u>129,306</u>	<u>260,378</u>	<u>(267,228)</u>	<u>-</u>	<u>122,456</u>

'TV fund' represents monies donated specifically towards the costs of a TV show which is broadcast on CNLTV (New Life Channel Television), Russia

The 'Missions' fund represents monies raised specifically for missions work

'Spread the Fire' represents monies received and expended on behalf of Spread the Fire (note 10)

Other restricted funds represent donations and offerings for specific ministries or purposes

The 'ILSOM' and 'World Tour' funds were originally given to be split between the 'Spread the Fire', 'Duncan Smith' and 'Kenyan Children's Project' funds. These funds have been reallocated accordingly in the 'Transfers' column