

Company No: 1648879

THE LUIS PALAU EVANGELISTIC TEAM
(a company limited by guarantee)

= Accounts =

31 December 1998



DJS/CLIENTS/PAL010
FC/27.04.99

THE LUIS PALAU EVANGELISTIC TEAM
(a company limited by guarantee)

REGISTERED CHARITY NUMBER

285474

REGISTERED ADDRESS OF CHARITY

36 Sycamore Road
Amersham
Bucks HP6 5DR

LEGAL STATUS

The charity is a company limited by guarantee, not having a share capital and is governed by its Memorandum & Articles of Association.

OBJECTIVES AND PRINCIPAL AIMS

The company's principal aim is to promote the Christian religion by evangelism in the United Kingdom and throughout the world.

DIRECTORS

Stephen Gaukroger - Chairman
Ernest Howie
Gospatric Home
Fawzi Malek BSc
Dr Luis Palau
Grace Payne
David Pickford FRICS
Ernest Picton FCA, ATII
Lady Susan Sainsbury
Donald Stradling

SECRETARY

Ernest Picton FCA, ATII

AUDITOR

Cansdale & Co
Chartered Accountants
Bourbon Court
Nightingales Corner
Little Chalfont
Bucks HP7 9QS

BANKERS

Barclays Bank Plc
4 Sycamore Road
Amersham
Bucks HP6 5DT

THE LUIS PALAU EVANGELISTIC TEAM
(a company limited by guarantee)

REPORT AND ACCOUNTS
AT 31 December 1998

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THE LUIS PALAU EVANGELISTIC TEAM
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REPORT OF THE DIRECTORS

The directors present their report and the accounts of the company for the year ended 31 December 1998.

PRINCIPAL ACTIVITY

The principal activity of the company during the year was to advance the evangelical Christian faith in the United Kingdom and throughout the world by such charitable means as the company determined. The company, which is limited by guarantee, is registered as a charity under number 285474. The word "Limited" is omitted from the company's name under the provisions of Section 30 of the Companies Act 1985.

REVIEW

The main undertakings of the European office during the year were the seven city mission held in the East Midlands and Barnsley during the Autumn of 1998 and the mission held in Egypt.

Preparatory work also continued throughout the year for the mission to be held in Turkey in March 1999 and the four centre mission in the North-West of England planned for May 1999.

The results of the year amounted to an excess of expenditure over income of £29,508 (1997 : £95) which was due, in the main, to costs involved in the increased support activity for the crusades held in Turkey and the Midlands. This expenditure was anticipated in the budgets agreed for these events at the time of their adoption and will continue for the first half of 1999.

DIRECTORS

The directors who served during the year were -

Stephen Gaukroger - Chairman
 Ernest Howie (appointed 6 March 1998)
 Gospatric Home (appointed 24 September 1998)
 Sir Maurice Laing (resigned 6 March 1998)
 Fawzi Malek BSc
 Dr Luis Palau
 Grace Payne
 David Pickford FRICS
 Ernest Picton FCA, ATII
 Lady Susan Sainsbury
 Donald Stradling

In accordance with the company's Articles of Association one third of the directors are required to retire at each Annual General Meeting. Gospatric Home, Fawzi Malek and Grace Payne retire at the forthcoming Annual General Meeting and offer themselves for re-election.

The directors are all members of the company. The liability of each member is limited to £100.

RESULTS

The results for the year are shown in the attached accounts.

FIXED ASSETS

The changes in fixed assets during the year are summarised in note 8 to the accounts.

THE LUIS PALAU EVANGELISTIC TEAM
(a company limited by guarantee)

REPORT OF THE DIRECTORS

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those accounts, 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 accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

YEAR 2000

The directors have reviewed the potential impact of the year 2000 "millenium bug" upon the company. Most existing systems and processes appear to be millennium compliant and an on-going programme is in place to ensure that all areas will be compliant by the end of the year.

AUDITOR

In accordance with Section 385(2) of the Companies Act 1985 a resolution proposing the reappointment of Cansdale & Co as auditor will be put to the Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

BY ORDER OF THE BOARD

23 April 1999

36 Sycamore Road
Amersham
Bucks HP6 5DR


.....
E W J Picton - Secretary

REPORT OF THE AUDITOR TO THE MEMBERS OF

THE LUIS PALAU EVANGELISTIC TEAM
(a company limited by guarantee)

We have audited the accounts on pages 5 to 12.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS & AUDITOR

As described in the Directors' Report, the directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion on those accounts, based on our audit, and to report our opinion to you.

BASIS OF OPINION

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

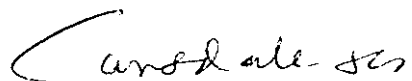
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error.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

OPINION

In our opinion the accounts give a true and fair view of the charitable company's state of affairs as at 31 December 1998 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

27 April 1999

Bourbon Court
Nightingales Corner
Little Chalfont
Bucks HP7 9QS



Chartered Accountants
CANSDALE & CO
Registered Auditor

THE LUIS PALAU EVANGELISTIC TEAM
(a company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 December 1998

	Note	1998 Restricted Funds £	1998 Unrestricted Funds £	1998 Total Funds £	1997 Total Funds £
INCOME AND EXPENDITURE					
Incoming resources:	2				
Donations and reimbursed					
Mission expenses received		51,421	129,878	181,299	130,777
Sale and hire of books, tapes and video cassettes		-	5,633	5,633	8,672
		51,421	135,511	186,932	139,449
EXPENDITURE					
Crusade preparation expenses	4	34,470	77,263	111,733	51,220
Publicity and fundraising	5	10,763	48,968	59,731	52,252
Management and administration	6	-	51,216	51,216	42,575
		6,188	(41,936)	(35,748)	(6,598)
Interest receivable and similar income		-	6,044	6,044	5,412
Net incoming resources for the year	3	6,188	(35,892)	(29,704)	(1,186)
Other recognised gains & losses					
Unrealised gains on investment assets	11	-	196	196	1,091
Net movement in funds		6,188	(35,696)	(29,508)	(95)
Accumulated funds brought forward		-	129,577	129,577	129,672
Accumulated funds carried forward	18	£6,188	£93,881	£100,069	£129,577

All of the company's activities are classed as continuing operations.


THE LUIS PALAU EVANGELISTIC TEAM
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BALANCE SHEET
AS AT 31 December 1998

	Note	£	1998 £	£	1997 £
FIXED ASSETS					
Tangible fixed assets	8		9,206		6,162
CURRENT ASSETS					
Stocks	9	12,476		6,733	
Debtors	10	28,268		3,615	
Investments	11	1,287		1,091	
Cash at bank and in hand		75,389		127,225	
		-----		-----	
		117,420		138,664	
CREDITORS					
Amounts falling due within one year	12	(26,557)		(15,249)	
		-----		-----	
NET CURRENT ASSETS			90,863		123,415
			-----		-----
TOTAL ASSETS LESS CURRENT LIABILITIES			£100,069		£129,577
			=====		=====
RESERVES					
Unrestricted funds	18				
- General			66,266		103,817
- Designated			27,615		25,760
Restricted funds	18		6,188		-
			-----		-----
			£100,069		£129,577
			=====		=====

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and the Financial Reporting Standard for Smaller Entities.

These accounts were approved by the Board of Directors on 23 April 1999 and signed on its behalf by

E W J PICTON 
Director

S GAUKROGER 
Director

THE LUIS PALAU EVANGELISTIC TEAM
(a company limited by guarantee)

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 December 1998

1 ACCOUNTING POLICIES

Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards, the Financial Reporting Standard for Smaller Entities and the Statement of Recommended Practice "Accounting by Charities".

Depreciation

Depreciation is provided so as to write off the cost of tangible fixed assets over their estimated useful lives, on a straight line basis, using the following rates -

Computer	- 25%
Motor vehicles	- 25%
Office equipment	- 25%

Stocks

Stocks are publications held for resale and are valued at the lower of cost and net realisable value.

Foreign currencies

Foreign currency transactions are translated into sterling at the exchange rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into sterling at the rates of exchange ruling at that date. The exchange differences are dealt with in the income and expenditure account.

Pension costs

Pension costs consist of payments made by the company to the employees' personal pension schemes. These costs are charged against the results of the year in which they are paid.

Donations

Donations are accounted for as income in the year of receipt.

Crusade preparation expenses

These expenses consist of the proportion of staff costs, travelling and other overheads which are directly applicable to the work carried out in the preparation and promotion of crusades in the United Kingdom.

Management and administration

Management and administration expenses consist of the proportion of staff costs, travelling and other overheads which are not applicable to direct expenditure incurred on the preparation of crusades.

Leased assets

Rentals on operating leases are charged to the profit and loss account as incurred.

2 INCOME

The income is attributable to the one principal activity of the company and represents the cash donations received during the year, and income from various other activities.

THE LUIS PALAU EVANGELISTIC TEAM
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NOTES TO THE ACCOUNTS - continued
FOR THE YEAR ENDED 31 December 1998

3	SURPLUS/(DEFICIT) FOR THE YEAR		1998	1997	
			£	£	
	The surplus/(deficit) for the year is after charging				
	Auditors' remuneration		2,280	2,320	
	Depreciation		5,401	3,234	
			=====	=====	
4	CRUSADE PREPARATION EXPENSES		1998	1997	
	Restricted Funds	Unrestricted Funds	Total Funds	Total Funds	
	£	£	£	£	
	Staff costs	12,850	27,219	40,069	29,000
	Depreciation	-	4,100	4,100	2,587
	Other costs	21,620	47,650	69,270	19,633
		-----	-----	-----	-----
	£34,470	£78,969	£113,439	£51,220	
	=====	=====	=====	=====	
5	FUND RAISING AND PUBLICITY		1998	1997	
	Restricted Funds	Unrestricted Funds	Total Funds	Total Funds	
	£	£	£	£	
	Staff costs	-	1,684	1,684	1,623
	Direct mailing	-	-	-	-
	- postage & leaflets	-	2,402	2,402	1,955
	Publicity	-	18,985	18,985	18,171
	Publicity services	10,763	10,764	21,527	19,424
	Partner's weekend	-	2,519	2,519	-
	Spanish Christian radio fund	-	-	-	3,500
	Books for resale	-	8,199	8,199	5,868
	Other costs	-	4,415	4,415	1,711
		-----	-----	-----	-----
	£10,763	£48,968	£59,731	£52,252	
	=====	=====	=====	=====	
6	MANAGEMENT AND ADMINISTRATION OF THE CHARITY		1998	1997	
	Restricted Funds	Unrestricted Funds	Total Funds	Total Funds	
	£	£	£	£	
	Staff costs	-	22,383	22,383	21,561
	Depreciation	-	1,301	1,301	647
	Audit fees	-	2,280	2,280	2,760
	Other costs	-	23,546	23,546	17,607
		-----	-----	-----	-----
	£Nil	£49,510	£49,510	£42,575	
	=====	=====	=====	=====	

THE LUIS PALAU EVANGELISTIC TEAM
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NOTES TO THE ACCOUNTS - continued
FOR THE YEAR ENDED 31 December 1998

7	TOTAL RESOURCES EXPENDED	Staff Costs £	Deprec- iation £	Other Costs £	1998 Total £	1997 Total £
	Crusade preparation expenses	40,069	4,100	69,270	113,439	51,220
	Fundraising & publicity	1,684	-	58,047	59,731	52,252
	Management & administration of the charity	22,383	1,301	25,826	49,510	42,575
		£64,136	£5,401	£153,143	£222,680	£146,047
		=====	=====	=====	=====	=====
	<u>Staff costs</u>					
	Wages and salaries, including benefits in kind				62,995	47,697
	Social security costs				5,915	4,780
	Other pension costs				2,283	2,200
					£71,193	£54,677
					=====	=====

The average number of persons (excluding directors) employed by the company during the year was -

	No.	No.
Office and management	3	2
	=====	=====

No employee was paid at a rate in excess of £40,000 per annum.

No emoluments were paid to any of the directors during the year (1997 : £Nil) nor to any persons connected with them (1997 : £Nil). Expenses totalling £551 were reimbursed to one director during the year (1997: £169). However the Chairman received a fee of \$18,000 (1997: £880) by Luis Palau Evangelistic Association in America, an American private foundation, registered under section 501(c)3 of the Internal Revenue Code of the USA, for services rendered during the year to this company.

8	TANGIBLE FIXED ASSETS	Computer £	Motor vehicles £	Office equipment £	Total £
	<u>Cost</u>				
	At 1 January 1998	10,795	11,495	8,200	30,490
	Additions in the year	1,720	6,725	-	8,445
		-----	-----	-----	-----
	At 31 December 1998	12,515	18,220	8,200	38,935
		-----	-----	-----	-----
	<u>Accumulated depreciation</u>				
	At 1 January 1998	10,437	5,748	8,143	24,328
	Charge for the year	788	4,556	57	5,401
		-----	-----	-----	-----
	At 31 December 1998	11,225	10,304	8,200	29,729
		-----	-----	-----	-----
	<u>Net book value</u>				
	At 31 December 1998	£1,290	£7,916	£ -	£9,206
		=====	=====	=====	=====
	<u>Net book value</u>				
	At 31 December 1997	£358	£5,747	£57	£6,162
		=====	=====	=====	=====

The motor vehicles are used for direct charitable purposes and for the management and administration of the charity.

THE LUIS PALAU EVANGELISTIC TEAM
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NOTES TO THE ACCOUNTS - continued
FOR THE YEAR ENDED 31 December 1998

9	STOCKS	1998	1997
		£	£
	Publications	12,476	6,733
		=====	=====
10	DEBTORS: Amounts falling due within one year	1998	1997
		£	£
	Prepayments and accrued income	2,703	3,615
	Other debtors	25,565	-
		-----	-----
		£28,268	£3,615
		=====	=====
11	INVESTMENTS	1998	1997
		£	£
	The investments consist of 100 ordinary 10 pence shares from the Abbey National Plc valued at the balance sheet date at	£1,287	£1,091
		=====	=====
12	CREDITORS: Amounts falling due within one year	1998	1997
		£	£
	Taxation and social security	1,825	1,684
	Other creditors	16,547	10,863
	Accruals and deferred income	2,262	2,702
	Bank overdraft	5,923	-
		-----	-----
		£26,557	£15,249
		=====	=====
13	TAXATION		
	The company's income is exempt from taxation.		
14	OPERATING LEASE COMMITMENTS		
	At 31 December 1998 the company had the following annual commitments under operating leases -		
		Office equipment	
	Leases which expire:	£	
	Within one year	-	
	Within two to five years	1,203	
		=====	

THE LUIS PALAU EVANGELISTIC TEAM
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NOTES TO THE ACCOUNTS - continued
FOR THE YEAR ENDED 31 December 1998

15 LIMITATION OF LIABILITY

The guarantee of the members is limited to £100 each, and there were 10 members at 31 December 1998 (1997 : 9).

16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed Assets £	Net Current Assets £	1998 Total £
<u>Restricted Funds</u> (see note 18)	-	6,188	6,188
<u>Designated Fund</u>	-	27,615	27,615
<u>Unrestricted Funds</u>	9,206	57,060	66,266
	-----	-----	-----
	£9,206	£90,863	£100,069
	=====	=====	=====

17 CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

There were no capital commitments or contingent liabilities at 31 December 1998 (1997 : £Nil).

THE LUIS PALAU EVANGELISTIC TEAM
(a company limited by guarantee)

NOTES TO THE ACCOUNTS - continued
FOR THE YEAR ENDED 31 December 1998

18

MOVEMENT ON INCOME AND EXPENDITURE ACCOUNT										
	Public Relations Projects			Restricted Funds			Unrestricted Funds			
	£	Media £	East Midlands £	Egypt £	Turkey £	Total £	Pre-crusade £	PR £	General Fund £	Total £
Balance at 1 January 1998	-	-	-	-	-	-	25,760	-	103,817	129,577
Add:										
Donations and sales receipts	10,763	11,000	1,212	23,629	4,817	51,421	-	10,764	124,747	186,932
Interest received	-	-	-	-	-	-	1,855	-	4,189	6,044
Unrealised gain on investment assets	-	-	-	-	-	-	-	-	196	196
Less:										
Crusade preparation expenses	-	-	1,212	23,629	9,629	34,470	-	-	77,263	111,733
Publicity and fund raising	10,763	-	-	-	-	10,763	-	10,764	38,204	59,731
Management and administration	-	-	-	-	-	-	-	-	51,216	51,216
Balance at 31 December 1998	£Nil	£11,000	£Nil	£Nil	£(4,812)	£6,188	£27,615	£Nil	£66,266	£100,069

The designated pre-crusade fund has been set aside by the Trustees to assist local committees to meet pre-crusade expenses. This assistance is mostly in the form of an interest free loan, or a grant.

The restricted funds consist of specific donations given for the purposes stated.

The restricted fund for Turkey shows a deficit of £4,812 which is being carried forward as further income in excess of this sum has been received since the year end.