

Company Registration Number 1648879
Charity Number 285474

Cansdales
Bourbon Court
Nightingales Corner
Little Chalfont
Buckinghamshire
HP7 9QS

t 01494 765428
f 01494 541800/763911
e mailto@cansdales.co.uk
www.cansdales.co.uk

LUIS PALAU EVANGELISTIC
TEAM

FINANCIAL STATEMENTS

FOR THE YEAR ENDED
31 DECEMBER 2007

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THE LUIS PALAU EVANGELISTIC TEAM

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2007

CONTENTS	PAGES
Members of the board and professional advisers	1
Directors' report	2 to 3
Independent auditors' report to the members	4
Statement of financial activities (incorporating an Income and Expenditure Account)	5
Balance sheet	6
Notes to the financial statements	7 to 11

The following page does not form part of the statutory financial statements

Detailed income and expenditure account	12
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THE LUIS PALAU EVANGELISTIC TEAM**MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS**

The board of directors	Simon Berry Ernest Howie Gospatric Home Dr Luis Palau Grace Payne Lady Susan Sainsbury Colin Saunders Michael Spratt
Company secretary	Nigel Gordon
Registered office	Bourbon Court Nightingales Corner Little Chalfont Bucks HP7 9QS
Auditor	Cansdales Chartered Accountants & Registered Auditors Bourbon Court Nightingales Corner Little Chalfont Bucks HP7 9QS
Bankers	Barclays Bank Plc Sycamore Road Amersham Bucks HP6 5DT
Company Registration Number	1648879
Charity Number	285474

THE LUIS PALAU EVANGELISTIC TEAM

DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2007

The directors present their report and the financial statements of the charitable company for the year ended 31 December 2007

LEGAL STATUS

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.

PRINCIPAL ACTIVITY

The principal activity of the charitable 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.

REVIEW OF THE YEAR AND FUTURE ACTIVITIES

2007 must have been one of our busiest and most fruitful years with NGA Missions with different evangelists speaking at around 150 events in 40 cities in Romania, Poland and Macedonia, plus a training seminar for evangelists in Warsaw. Preparation was done for the 2008 BucurestiFest. Dr Palau also was the keynote speaker at the inaugural central Europe Keswick Convention held in Hungary.

RESULTS

The results for the year, and the charitable company's financial position at the end of the year, are shown in the attached financial statements.

THE DIRECTORS

The directors who served the charitable company during the year and to the date of this report were as follows:

Simon Berry
Gospatric Home
Ernest Howie
Dr Luis Palau

Grace Payne
Lady Susan Sainsbury
Michael Spratt
Colin Saunders

According to the Articles of Association there must be a minimum of three directors and a maximum of twelve directors. All directors must be members of the charitable company. Additional directors may be appointed by the existing directors subject to the new director resigning and offering himself for re-election at the next Annual General Meeting. One third of the directors must resign at each Annual General Meeting and being eligible may offer themselves for re-election.

RESERVES POLICY

It is the policy of the charitable company to maintain unrestricted funds, which are the free reserves of the charitable company, at a level to cover approximately two months management and administration costs in the event of a significant drop in funding. Unrestricted funds were maintained at this level throughout the year. This policy will be reviewed annually by the Board. Unrestricted funds not invested in fixed assets or investments and not otherwise designated by the Board were £50,812 at 31 December 2007 (2006: £79,592).

RISK MANAGEMENT

The directors have examined the major strategic and operational risks which the charitable company faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

STATEMENT OF DIRECTORS RESPONSIBILITIES

THE LUIS PALAU EVANGELISTIC TEAM

DIRECTORS' REPORT *(CONTINUED)*

YEAR ENDED 31 DECEMBER 2007

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with 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 at the end of the year and of the surplus or deficit for the year then ended

In preparing those financial statements, the directors are required to select suitable accounting policies and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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 which 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. The directors 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

So far as each of the directors are aware at the time this report was signed, there is no relevant audit information of which the auditors are unaware, and the directors have taken all steps which they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

AUDITORS

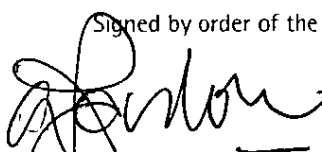
A resolution to re-appoint Cansdales as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985

These financial statements were prepared in accordance with the Companies Act 1985, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued March 2005, and the accounting provisions of the Charities Act 1993

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

Registered office
Bourbon Court
Nightingales Corner
Little Chalfont
Bucks HP7 9QS

Signed by order of the directors



Nigel Gordon
Company Secretary

Approved by the directors on 29 September 2008

THE LUIS PALAU EVANGELISTIC TEAM

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

YEAR ENDED 31 DECEMBER 2007

We have audited the financial statements of Luis Palau Evangelistic Team for the year ended 31 December 2007 which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet and the related notes numbered 1 to 11 which have been prepared under the historical cost convention and the accounting policies set out in note 1

This report is made solely to the charitable 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 charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF THE TRUSTEES AND THE AUDITOR

The responsibility of the trustees (who are also the directors of The Luis Palau Evangelistic Team for the purpose of company law) for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 3.

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 the information given in the Directors' annual report is consistent with the financial statements.

In addition we report to you if, the charitable 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 transactions with the charitable company is not disclosed.

We read other information contained in the Directors' Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to other information.

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 directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

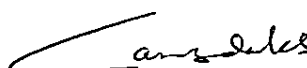
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity 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 of the state of the charitable company's affairs as at 31 December 2007 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and the financial statements have been properly prepared in accordance with the Companies Act 1985 and the information provided in the Directors' report is consistent with the financial statements.

Date 29 September 2008

Bourbon Court
Nightingales Corner
Little Chalfont
Bucks HP7 9QS


CANSDALES
Chartered Accountants
& Registered Auditors

THE LUIS PALAU EVANGELISTIC TEAM

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME & EXPENDITURE ACCOUNT)

YEAR ENDED 31 DECEMBER 2007

	Note	Unrestricted funds £	Restricted funds £	Total 2007 £	Total 2006 £
Incoming resources					
Incoming resources from generated funds					
Voluntary Income		86,414	59,672	146,086	229,775
Activities for generating funds		252	-	252	941
Investment income		3,294	-	3,294	1,862
Legacies		-	-	-	2,000
Incoming resources from charitable activities					
Mission costs recovered		16,757	-	16,757	67,816
Total incoming resources		106,717	59,672	166,389	302,394
Resources expended					
Costs of generating funds	2				
Costs of generating voluntary income					
Fundraising and publicity		26,995	-	26,995	25,557
Fundraising Trading cost of goods sold and other costs					
Cost of books and leaflets		15	-	15	1,264
Charitable activities					
Evangelical mission		107,719	63,526	171,245	238,389
Governance costs		5,095	-	5,095	5,795
Total resources expended		139,824	63,526	203,350	271,005
Net Income/(Expenditure) for the year		(33,107)	(3,854)	(36,961)	31,389
Transfers between funds		(71)	71	-	-
Net movement in funds		(33,178)	(3,783)	(36,961)	31,389
Total funds brought forward		97,257	18,169	115,426	84,037
Total funds carried forward	8,9	64,079	14,386	78,465	115,426

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

All of the activities of the charitable company are classed as continuing

Notes 1 to 11 form part of these financial statements

THE LUIS PALAU EVANGELISTIC TEAM

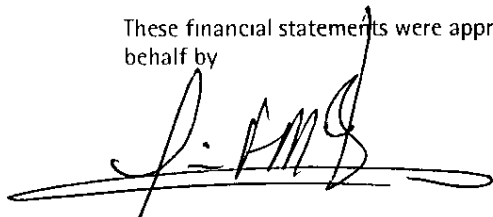
BALANCE SHEET

31 DECEMBER 2007

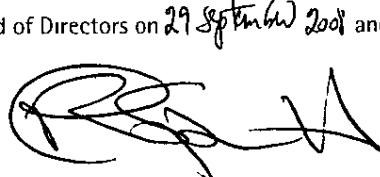
	Note	2007 £	£	2006 £	£
Fixed assets					
Tangible assets	5		-		4,399
Current assets					
Debtors	6	2,089		13,064	
Cash at bank		<u>82,192</u>		<u>104,542</u>	
		84,281		117,606	
Creditors amounts due within one year	7	<u>(5,817)</u>		<u>(6,579)</u>	
Net current assets			78,464		111,027
Total assets less liabilities			<u>78,464</u>		<u>115,426</u>
Unrestricted funds					
Designated funds			13,266		17,665
General funds			<u>50,813</u>		<u>79,592</u>
			64,079		97,257
Restricted funds			<u>14,386</u>		<u>18,169</u>
Total funds	8,9		<u>78,465</u>		<u>115,426</u>

These financial statements have been prepared in accordance with the special provisions for smaller companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective January 2005)

These financial statements were approved by the Board of Directors on 29 September 2008 and are signed on their behalf by



SIMON BERRY



MICHAEL STRATT

Notes 1 to 11 form part of these financial statements

THE LUIS PALAU EVANGELISTIC TEAM

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2007

1 ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005, the Charities Act 1993 and the Companies Act 1985

Incoming resources, including Donations

Income is recognised gross in the period in which the charitable company is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is recognised on the legacy being received.

Grants are included as donations.

Any income received for a period other than the accounting year has been apportioned over the period to which it relates.

Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any Value Added Tax which cannot be recovered. Certain expenditure is directly attributable to specific activities and has been allocated to those cost categories.

Support costs have been apportioned to the cost centres of costs of generating funds, fundraising trading, charitable activities and governance costs in accordance with the requirements of the revised Statement of Recommended Practice (SORP 2005). Governance costs comprise all costs relating to the public accountability of the charitable company and its compliance with regulation and good practice.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Computers and office equipment	- 25% straight line
Motor vehicles	- 25% straight line

Items of equipment are capitalised where the purchase price exceeds £500.

Stocks

Stocks are publications held for resale and are valued at the lower of cost and net realisable value after making allowances for obsolete and slow moving items.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

Pension costs consist of contributions made by the charitable company to the employees' personal pension schemes. Contributions to these schemes are charged in the SOFA as they become payable in accordance with the rules of the schemes.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

THE LUIS PALAU EVANGELISTIC TEAM

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2007

1 ACCOUNTING POLICIES (*CONTINUED*)

Tax status

The charitable company is a registered charity and therefore it is not assessable to corporation tax on any surplus charitable funds

Funds accounting

Funds held by the charitable company are

Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the directors

Designated funds – these are funds set aside by the directors out of unrestricted general funds for specific future purposes or projects

Restricted funds – these are funds which can only be used for particular purposes within the objects of the company. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes

The nature and purpose of each fund is explained further in the notes to the financial statements

2 RESOURCES EXPENDED

	Staff costs £	Mission costs £	Travel £	Other costs £	Support costs £	Total 2007 £	Total 2006 £
Cost of generating funds							
Fund raising and publicity	13,843	1,642	-	-	11,510	26,995	25,557
Fundraising trading cost of goods sold and other costs							
Cost of books and leaflets	-	15	-	-	-	15	1,264
Charitable activities							
Evangelical mission	54,280	72,739	4,191	-	40,035	171,245	238,389
Governance costs	-	-	-	-	5,095	5,095	5,795
Support costs	24,575	-	-	32,065	(56,640)	-	-
Total	92,698	74,396	4,191	32,065	-	203,350	271,005

THE LUIS PALAU EVANGELISTIC TEAM

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2007

3 SUPPORT COSTS

Other support costs comprise

	Total 2007	Total 2006
Audit	2,449	3,392
Accountancy	1,595	1,736
Rent and Rates	5,424	5,244
Insurance	1,032	1,025
Technical support	2,085	4,197
Repairs and maintenance	1,035	379
Telephone	4,852	5,360
Postage, printing and stationary	6,227	5,990
Subscriptions	1,215	929
Depreciation	4,399	4,668
Board expenses	1,051	667
Bank charges	1,000	1,101
Sundry	(299)	679
	<u>32,065</u>	<u>35,367</u>

Operating leases totalling £5,400 were paid during the year (2006 £5,200)

4 STAFF COSTS AND DIRECTORS' REMUNERATION

The aggregate payroll costs were

	2007	2006
	£	£
Wages and salaries	75,234	69,606
Romanian consultant	6,600	-
Social security costs	7,664	6,939
Pension costs	3,200	2,888
	<u>92,698</u>	<u>79,433</u>

No employee was paid at a rate in excess of £60,000 per annum

Particulars of employees

The average number of staff employed by the charitable company during the financial year was three (2006 three)

No emoluments were paid to any of the directors during the year (2006 £Nil) nor to any persons connected with them (2006 £Nil) No expenses were reimbursed to directors during the year (2006 £Nil)

THE LUIS PALAU EVANGELISTIC TEAM

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2007

5 TANGIBLE FIXED ASSETS

	Office equipment £	Motor vehicles £	Total £
Cost			
At 1 January 2007 and 31 December 2007	29,551	13,235	42,786
Depreciation			
At 1 January 2007	28,460	9,927	38,387
Charge for the year	1,091	3,308	4,399
At 31 December 2007	29,551	13,235	42,786
Net book value			
At 31 December 2007	-	-	-
At 31 December 2006	1,091	3,308	4,399

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

6 DEBTORS

	2007 £	2006 £
Other debtors	426	11,406
Prepayments	1,663	1,658
	2,089	13,064

7 CREDITORS Amounts falling due within one year

	2007 £	2006 £
Other creditors	1,817	1,879
Accruals	4,000	4,700
	5,817	6,579

THE LUIS PALAU EVANGELISTIC TEAM

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2007

8 MOVEMENTS ON FUNDS

	At 1 January 2007	Incoming resources	Outgoing resources	Transfers	At 31 December 2007
	£	£	£	£	£
Restricted funds					
LPEA Africa	948	-	-	-	948
Missionaries	17,221	55,403	(59,186)	-	13,438
Bouncy Castle	-	4,269	(4,340)	71	-
Total restricted funds	18,169	59,672	(63,526)	71	14,386
Unrestricted funds					
Pre-mission expenditure	13,266	-	-	-	13,266
Fixed assets	4,399	-	-	(4,399)	-
Total designated funds	17,665	-	-	(4,399)	13,266
General funds	79,592	106,717	(139,824)	4,328	50,813
Total unrestricted funds	97,257	106,717	(139,824)	(71)	64,079
Total funds	115,426	166,389	(203,350)	-	78,465

LPEA Africa – support for the provision of follow up literature and resources after mission talks in Africa

Missionaries – represents funds held for the use of missionaries towards their general mission costs

Bouncy Castle – To provide a bouncy castle for Bucharestifest

Pre-mission expenditure – fund to provide grants or loans to meet initial expenses on future missions operated by independent local organisers

Fixed assets – the fund represents the company's investment in fixed assets

9 ANALYSIS OF NET ASSETS

	Tangible fixed assets	Other net assets	Total
	£	£	£
Restricted funds	-	14,386	14,386
Designated funds	-	13,266	13,266
Other unrestricted funds	-	50,813	50,813
	-	78,465	78,465

10 COMPANY LIMITED BY GUARANTEE

The guarantee of the members is limited to £100 each whilst they are a member and for twelve months after ceasing to be a member. There were eight members at 31 December 2007 (2006: Eight)

11 OPERATING LEASES

As at 31 December 2007 the charitable company had annual commitments under non-cancellable operating leases as set out below. These operating leases relate to the rental of offices and office equipment.

	2007	2006
	£	£
Leases expiring in		
Less than one year	5,400	5,400
Two to five years	-	-
	5,400	5,400