

1648879



LUIS PALAU EVANGELISTIC TEAM

FINANCIAL STATEMENTS

FOR THE YEAR ENDED
31 DECEMBER 2001

THE LUIS PALAU EVANGELISTIC TEAM**MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS****The board of directors**

Simon Berry
Stephen Gaukroger
Ernest Howie
Gospatric Home
Dr Luis Palau
Grace Payne
Ernest Picton
Lady Susan Sainsbury

Company secretary

Ernest Picton

Registered office

36 Sycamore Road
Amersham
Bucks
HP6 5DR

Auditors

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 2001

The directors present their report and the financial statements of the charity for the year ended 31 December 2001.

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 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 DEVELOPMENTS, ACTIVITIES AND ACHIEVEMENTS

The year was full of activity with the Next Generation Alliance ministry aspect really coming in to its own with the extremely successful missions in Bucharest, Ploiesti and Pitesti, Romania in May and June 2001, the tour of the Bucovina region of Romania and the south west Cornwall mission.

In addition the Next Generation Alliance Team were able to make significant contributions to the BGEA Conference in Sinaia and preparatory visits for the 2002 missions in Moldova and Estonia were made, as well as work towards the 2003 Festival: Manchester.

RESULTS

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

THE DIRECTORS

The directors who served the charity during the period were as follows:

Simon Berry	Grace Payne
Stephen Gaukroger	David Pickford (resigned 2 October 2001)
Ernest Howie	Ernest Picton
Gospatric Home	Lady Susan Sainsbury
Fawzi Malek (retired 15 March 2001)	Donald Stradling (resigned 10 January 2002)
Dr Luis Palau	

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 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 company to maintain unrestricted funds, which are the free reserves of the company, at a level which equates to approximately two months unrestricted expenditure. This provides sufficient funds to cover 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.

THE LUIS PALAU EVANGELISTIC TEAM

DIRECTORS' REPORT (CONTINUED)

YEAR ENDED 31 DECEMBER 2001

RISK MANAGEMENT

The directors have examined the major strategic and operational risks which the 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.

RESPONSIBILITIES OF THE DIRECTORS'

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 charity at the end of the year and of the surplus or deficiency for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on page 7 and 8, 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 charity 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 charity and to 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

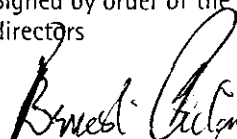
AUDITORS

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.

Registered office:

36 Sycamore Road
Amersham
Bucks
HP6 5DR

Signed by order of the
directors



Ernest Picton
Company secretary

2

Approved by the directors on 25 April 2002

THE LUIS PALAU EVANGELISTIC TEAM

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

YEAR ENDED 31 DECEMBER 2001

We have audited the financial statements on pages 5 to 11 which have been prepared under the historical cost convention and the accounting policies set out on pages 7 and 8.

RESPECTIVE RESPONSIBILITIES OF THE TRUSTEES AND THE AUDITORS

As described on page 3, the directors, who are directors for the purpose of company law and trustees for the purpose of charity law, are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 if, in our opinion, the Directors' Report is not consistent with the financial statements, 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 the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with United Kingdom 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 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 of the state of the charitable company's affairs as at 31 December 2001 and of the 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.

26 April 2002

Bourbon Court
Nightingales Corner
Little Chalfont
Bucks HP7 9QS

Cansdales

CANSDALES
Chartered Accountants
& Registered Auditors

THE LUIS PALAU EVANGELISTIC TEAM

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 DECEMBER 2001

	Note	Unrestricted funds £	Restricted funds £	Total 2001 £	Total 2000 £
Incoming resources					
Donations		116,571	28,234	144,805	137,216
<i>Activities to further the charity's objects:</i>					
Mission costs recovered		3,960	-	3,960	19,733
Sale and hire of books, tapes and videos		1,964	-	1,964	7,636
Investment income and interest		2,112	-	2,112	3,006
Total incoming resources		<u>124,607</u>	<u>28,234</u>	<u>152,841</u>	<u>167,591</u>
Resources expended					
<i>Costs of generating funds:</i>					
Fundraising and publicity	2	16,408	4,500	20,908	99,892
<i>Charitable expenditure:</i>					
Mission costs		16,125	21,690	37,815	34,185
Staff costs		30,836	-	30,836	32,480
Depreciation and profit on sale of assets		4,256	-	4,256	(467)
Cost of books and leaflets		4,182	-	4,182	13,938
Other costs		7,136	-	7,136	6,615
Management and administration	3	57,199	-	57,199	47,282
Total resources expended		<u>136,142</u>	<u>26,190</u>	<u>162,332</u>	<u>233,925</u>
Net (outgoing) resources for the year		(11,535)	2,044	(9,491)	(66,334)
(Deficit)/gain on revaluation of investments		(239)	-	(239)	233
Transfers between funds		-	-	-	-
Net movement in funds		<u>(11,774)</u>	<u>2,044</u>	<u>(9,730)</u>	<u>(66,101)</u>
Total funds brought forward		91,818	3,000	94,818	160,919
Total funds carried forward	9	<u>80,044</u>	<u>5,044</u>	<u>85,088</u>	<u>94,818</u>

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

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


THE LUIS PALAU EVANGELISTIC TEAM

BALANCE SHEET

31 DECEMBER 2001

	Note	£	£	£	£
Fixed assets					
Tangible assets	5		10,742		14,130
Current assets					
Stocks		1,553		4,540	
Debtors	6	4,905		3,290	
Investments	7	980		1,219	
Cash at bank		75,603		84,806	
		<u>83,041</u>		<u>93,855</u>	
Creditors: amounts due within one year	8	<u>(8,695)</u>		<u>(13,167)</u>	
Net current assets			74,346		80,688
Total assets less liabilities			<u>85,088</u>		<u>94,818</u>
Unrestricted funds					
Designated funds			26,881		26,126
Other charitable funds			53,163		65,692
			<u>80,044</u>		<u>91,818</u>
Restricted funds			<u>5,044</u>		<u>3,000</u>
Total funds	9		<u>85,088</u>		<u>94,818</u>

These financial statements were approved by the Board of Directors on 25 April 2002 and are signed on their behalf by:



SIMON BERRY



ERNEST PICTON

THE LUIS PALAU EVANGELISTIC TEAM**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 DECEMBER 2001****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 October 2000.

Incoming resources, including Donations

Incoming resources are accounted for as income in the year of receipt.

Resources expended

Resources expended are included in the period in which they are incurred. Resources expended include attributable VAT, which cannot be recovered.

Resources expended are allocated to the particular activity where the cost relates directly to that activity. Management and administration expenses, which represent the costs which are not applicable to the direct expenditure incurred on the preparation of missions, consist of a proportion of staff costs, travelling and other overheads.

Investment assets

Listed investments are included at market value at the balance sheet date. Any unrealised gain or loss is taken to the Statement of Financial Activities.

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%
Motor vehicles	- 25%

Stocks

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

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 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 made.

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 2001

Funds accounting

Funds held by the charity are:

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

Designated funds – these are funds set aside by the trustees 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 charity. 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 accounts.

2. FUNDRAISING AND PUBLICITY

	Unrestricted funds	Restricted funds	Total 2001	Total 2000
	£	£	£	£
Staff costs	5,600	-	5,600	4,759
Publicity	6,069	4,500	10,569	86,299
Direct mailing - postage & packing	2,970	-	2,970	7,273
Other costs	1,769	-	1,769	1,561
	<u>16,408</u>	<u>4,500</u>	<u>20,908</u>	<u>99,892</u>

3. MANAGEMENT AND ADMINISTRATION

	Unrestricted funds	Restricted funds	Total 2001	Total 2000
	£	£	£	£
Staff costs	25,903	-	25,903	20,320
Accountancy fees	5,356	-	5,356	3,233
Audit fee	3,290	-	3,290	4,052
Bank charges	880	-	880	833
Depreciation and profit on sale of assets	1,254	-	1,254	200
Office and other costs	20,516	-	20,516	18,644
	<u>57,199</u>	<u>-</u>	<u>57,199</u>	<u>47,282</u>

4. STAFF COSTS AND TRUSTEES' REMUNERATION

The aggregate payroll costs were:

	2001	2000
	£	£
Wages and salaries	54,619	50,137
Social security costs	5,152	4,942
Pension costs	2,568	2,480
	<u>62,339</u>	<u>57,559</u>

THE LUIS PALAU EVANGELISTIC TEAM

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2001

4. STAFF COSTS AND TRUSTEES' REMUNERATION (CONTINUED)

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

Particulars of employees:

The average number of staff employed by the charity during the financial year was three (2000: three).

No emoluments were paid to any of the directors during the year (2000: £Nil) nor to any persons connected with them (2000: £Nil). Expenses totalling £219 were reimbursed to one director during the year (2000: £155). S Gaukroger received a fee of £6,000 (2000: \$4,500) from 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.

5. TANGIBLE FIXED ASSETS

	Office equipment	Motor vehicles	Total
Cost	£	£	£
At 1 January	20,715	18,925	39,640
Additions	2,122	-	2,122
Disposals	-	-	-
At 31 December	22,837	18,925	41,762
Depreciation			
At 1 January	20,464	5,046	25,510
Charge for the year	781	4,729	5,510
Disposals	-	-	-
At 31 December	21,245	9,775	31,020
Net book value			
At 31 December 2001	1,592	9,150	10,742
At 31 December 2000	251	13,879	14,130

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

6. DEBTORS

	2001	2000
	£	£
Other debtors	3,745	1,780
Prepayments	1,160	1,510
	4,905	3,290

7. INVESTMENTS

The investment is one hundred ordinary 10p shares in Abbey National plc. These shares were received on the demutualisation of Abbey National Building Society and therefore were received at no cost to the company. The shares are included in the accounts at market value.

THE LUIS PALAU EVANGELISTIC TEAM

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2001

8. CREDITORS: Amounts falling due within one year

	2001 £	2000 £
PAYE and social security	1,729	1,353
Other creditors	1,377	7,207
Accruals	5,589	4,607
	<u>8,695</u>	<u>13,167</u>

9. MOVEMENTS ON FUNDS

	At 1 January £	Incoming resources £	Outgoing resources £	Transfers £	At 31 December £
Restricted funds:					
Media	3,000	18,000	(18,000)	-	3,000
Baronowski	-	2,000	(2,000)	-	-
LPEA Africa	-	8,234	(6,190)	-	2,044
Total restricted funds	<u>3,000</u>	<u>28,234</u>	<u>(26,190)</u>	<u>-</u>	<u>5,044</u>
Unrestricted funds					
Designated pre-mission expenditure fund	26,126	755	-	-	26,881
Other charitable funds	65,692	123,852	(136,381)	-	53,163
Total unrestricted funds	<u>91,818</u>	<u>124,607</u>	<u>(136,381)</u>	<u>-</u>	<u>80,044</u>
Total funds	<u>94,818</u>	<u>152,841</u>	<u>(162,571)</u>	<u>-</u>	<u>85,088</u>

Media - donation towards the cost of publicising special events.

Baronowski - donation received for onward transmission to a church in Poland.

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

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

10. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2001 the charity had annual commitments under non-cancellable operating leases as set out below.

	Assets other than land and buildings	
	2001 £	2000 £
Operating leases which expire:		
Within two to five years	<u>1,903</u>	<u>1,903</u>

THE LUIS PALAU EVANGELISTIC TEAM

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2001

11. ANALYSIS OF NET ASSETS (between restricted and unrestricted funds)

	Tangible fixed assets	Investments	Other net assets	Total
	£	£	£	£
Media	-	-	3,000	3,000
LPEA Africa	-	-	2,044	2,044
Unrestricted funds	10,742	980	68,322	80,044
	<u>10,742</u>	<u>980</u>	<u>73,366</u>	<u>85,088</u>

12. COMPANY LIMITED BY GUARANTEE

The guarantee of the members is limited to £100 each, and there were ten members at 31 December 2001 (2000: Ten).