

Charity number: 1103028
Company number: 05018627

Northwest Church
Trustees' report and financial statements
for the year ended 31 December 2006



Wilton Mutlow & Co.

CHARTERED ACCOUNTANTS

3 College Street
St Albans
Herts AL3 4PW
Tel 01727 840365
Fax 01727 833507
Email office@wiltonmutlow.co.uk

Northwest Church

Contents

	Page
Legal and administrative information	1
Trustees' report	2 - 4
Independent examiners' report	5
Statement of financial activities	6
Balance sheet	7 - 8
Notes to the financial statements	9 - 13

Northwest Church

Legal and administrative information

Trustees	D R Hanton D P Straughton M A Kyte
Secretary	D R Hanton
Company number	05018627
Charity number	1103028
Registered office	59 Sefton Avenue Mill Hill London
Accountants	Wilton Mutlow & Co 3 College Street St Albans Hertfordshire
Bankers	Abbey plc Business Banking Centre 301 St Vincent Street Glasgow

Northwest Church

Trustees' report for the year ended 31 December 2006

The trustees present their report and the financial statements for the year ended 31st December 2006

Constitution of Northwest Church

Northwest Church was incorporated as a charitable Company limited by guarantee with no share capital on 19th January 2004. The church is run in accordance with the memorandum and articles of association laid out at that time.

Principal activity and charitable objects

The principal activity of the charity is to advance the Christian faith in accordance with the Statement of Beliefs in London Borough of Barnet and in such other parts of the UK or the world, as the trustees of the charity may from time to time think fit and to fulfil such other purposes, which are exclusively charitable according to the law of England and Wales and are connected with the charitable work of the charity.

To relieve persons who are in conditions of need or hardship or who are aged or sick and to relieve distress caused thereby in the said location and in such other parts of the UK or the world as the trustees may from time to time think fit and in other ways to serve and benefit the local community where there is need.

To advance education in accordance with Christian principles by such means as the trustees may consider appropriate, including by means of establishing and operating any educational establishment or establishments in the said location and in such other parts of the UK or world as the trustees from time to time think fit.

Trustees

The commissioners who served during the year are also members who have agreed to contribute £1 each in circumstances outlined in the Memorandum of Association.

D R Hanton
D P Straughton
M A Kyte

Funding sources

The overall budget for 2006 was set at £101,000 in order to fund continued growth and outreach projects into the local community and at the end of the year our total income was £117,395.

Our sole source of income for the church was donations from church members (and the Gift Aid that was reclaimed from this giving).

Recruitment of Trustees

Northwest Church had 3 established trustees in place throughout 2006, and plans were made to increase the number of trustees in 2007. New trustees are recruited by a process of current trustees and leaders in the church assessing who has the suitable level of skill, time and commitment to the vision and values of the church to take on the role of a trustee. Once potential trustees are identified and their willingness to serve as a trustee is established then the chairman of the trustees issues a formal invitation to become a trustee.

Northwest Church

Trustees' report for the year ended 31 December 2006

Review of activities and achievements

The 2006 financial year was a successful year for Northwest Church with many different areas of church life being consolidated. Our key public meeting on Sunday morning continued to grow and flourish. We grew from 65 committed attendees to approximately 80 committed attendees, and moved our Sunday morning meeting venue into a local school hall to accommodate growth.

The church ran a number of different courses based at Edgware Town Football club, which included a couple of Alpha courses (an opportunity to explore the meaning of Christianity). We also ran a number of different events to serve the local community such as a Fireworks and Hog Roast evening.

The church employed a second full time worker in September 2005 and throughout 2006 this employee continued to make a valued and significant contribution to the life of the church.

Towards the end of 2005 the church laid out three key objectives for 2006,

To grow to 100 people at Sunday meetings. By December we averaged 85.

To see 15 new people from the local community believe in Jesus. By December 2006 we had seen a total of 9 believe in Jesus.

To increase our giving to £6,900 per month. Average giving for Sept to Nov 2006 was £7,200 per month.

Reserves

The charity holds reserves at a level that is sufficient, in the opinion of the trustees, to meet its immediate charitable objectives.

Statement of trustees' responsibilities

Company and 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 the surplus or deficit of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards and statements of recommended practice have been followed subject to any departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

Northwest Church

Trustees' report for the year ended 31 December 2006

The trustees have overall responsibility for ensuring that the charity has appropriate systems of control, financial and otherwise. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 1985. They 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.

Wilton Mutlow & Co were appointed accountants during the year and the trustees recommend that Wilton Mutlow & Co remain in office until further notice.

The Trustees' report is prepared in accordance with special provisions of part VII of the Companies Act 1985 relating to small companies.

This report was approved by the trustees on 23 October 2007 and signed on its behalf by



D R Hanlon
Secretary

Northwest Church

Independent examiner's report to the trustees on the unaudited financial statements of Northwest Church.

We report on the financial statements of Northwest Church for the year ended 31 December 2006 which comprise the statement of financial activities, the balance sheet and the related notes. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of trustees and examiner

As the charity's trustees you are responsible for the preparation of the accounts, you consider that the audit requirement of section 43(2) of the Charities Act 1993 (the Act) does not apply. It is our responsibility to examine the accounts under section 43(3) of the Act, to follow the procedures laid down in the General Directions given by the Charity Commissioners under section 43(7)(b) of the act, and to state whether particular matters have come to our attention.

Basis of independent examiner's report

Our examination was carried out in accordance with the General Directions given by the Charity Commissioners. 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 we do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

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

(1) which gives us reasonable cause to believe that in any material respect the requirements

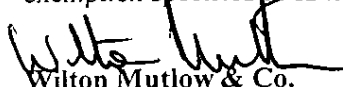
- to keep accounting records in accordance with section 41 of the Act, and
- to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Act

have not been met, or

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

Opinion

In our opinion the accounts are in agreement with the accounting records kept by the company under s221 CA 1985 and having regard only to and on the basis of, the information contained in these accounting records, these accounts have been drawn up in a manner consistent with the requirements in s249C(6) CA 1985 and satisfied the requirements of s249A(4) and did not fall within any of the categories of companies not entitled to exemption specified in s249B(1)(a) to (f).


Wilton Mutlow & Co.

23 October 2007

3 College Street
St Albans
Hertfordshire

Northwest Church

Statement of financial activities

For the year ended 31 December 2006

	Notes	Unrestricted funds £	Restricted funds £	2006 Total £	2005 Total £
Incoming resources					
Donations	2	113,560	3,745	117,305	76,367
Fundraising events	3	-	-	-	272
Investment income		90	-	90	149
Total incoming resources		<u>113,650</u>	<u>3,745</u>	<u>117,395</u>	<u>76,788</u>
Charitable expenditure					
Grants payable		5,004	3,745	8,749	3,449
Cost of activities in furtherance of the charity's objects					
Direct charitable expenditure	4	101,200	-	101,200	55,669
Governance costs	5	6,480	-	6,480	2,697
Total charitable expenditure		<u>112,684</u>	<u>3,745</u>	<u>116,429</u>	<u>61,815</u>
Net incoming resources before transfers		966	-	966	14,973
Transfers between funds		-	-	-	-
Net movement in funds		<u>966</u>	<u>-</u>	<u>966</u>	<u>14,973</u>
Total funds brought forward		15,669	-	15,669	696
Total funds carried forward		<u>16,635</u>	<u>-</u>	<u>16,635</u>	<u>15,669</u>

The notes on pages 9 to 13 form an integral part of these financial statements

Northwest Church

Balance sheet as at 31 December 2006

		2006		2005	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	9		4,619		-
Current assets					
Debtors	10	13,630		5,214	
Cash at bank and in hand		2,890		10,455	
		<u>16,520</u>		<u>15,669</u>	
Creditors: amounts falling due within one year	11	<u>(4,504)</u>		<u>-</u>	
Net current assets			<u>12,016</u>		<u>15,669</u>
Net assets			<u>16,635</u>		<u>15,669</u>
Funds					
Unrestricted funds	12		<u>16,635</u>		<u>15,669</u>
			<u>16,635</u>		<u>15,669</u>

The trustees' statements required by Section 249B(4) are shown on the following page which forms part of this Balance Sheet

The notes on pages 9 to 13 form an integral part of these financial statements.

Northwest Church

Balance sheet (continued)

Trustees' statements required by Section 249B(4) for the year ended 31 December 2006

In approving these financial statements as trustees of the company we hereby confirm

(a) that for the year stated above the company was entitled to the exemption from audit under Section 249A(1) of the Companies Act 1985 ,

(b) that the trustees have not required the company to obtain an audit of its financial statements for the year ended 31 December 2006 in accordance with Section 249B(2) of the Companies Act 1985,

(c) that we acknowledge our responsibilities for

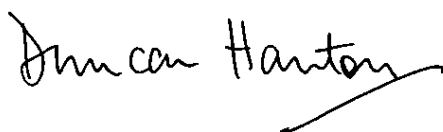
(1) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985,

(2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act 1985 relating to financial statements, so far as applicable to the company

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2005)

The financial statements were approved by the Board on 23 October 2007 and signed on its behalf by

D R Hanton
Trustee



The notes on pages 9 to 13 form an integral part of these financial statements.

Northwest Church

Notes to the financial statements for the year ended 31 December 2006

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002) and follow the recommendations in 'Accounting and Reporting by Charities Statement of Recommended Practice' issued in October 2005

1.2. Incoming resources

Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable. Gifts donated for resale are included as income when they are sold. Donated assets are included at the value to the charity where this can be quantified and a third party is bearing the cost. The value of services provided by volunteers has not been included. Income tax recoverable on covenants and gift aid donations is recognised when received.

Income from investments is included in the year in which it is receivable.

1.3 Resources expended

Resources expended are recognised in the year in which they are incurred.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

The charity specifically identifies the purpose of its expenditure and allocates such costs to the relevant fund.

1.4. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Fixtures, fittings and equipment	- 25% on net book value
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1.5. Pensions

The pension costs charged in the financial statements represent the contribution payable by the charity during the year.

The regular cost of providing retirement pensions and related benefits is charged to the SOFA over the employees' service lives on the basis of a constant percentage of earnings.

Northwest Church

Notes to the financial statements for the year ended 31 December 2006

2. Donations

	2006 £	2005 £
Grants and donations	87,449	67,275
Tax reclaimed under Gift Aid	29,856	9,092
	<u>117,305</u>	<u>76,367</u>

3. Fundraising events

	2006 £	2005 £
Income from fundraising events	-	272
	<u>-</u>	<u>272</u>

4. Direct charitable expenditure

	2006 £	2005 £
Staff costs	69,781	40,898
Venue costs	5,235	6,811
Rent payable	7,960	-
Ministry and outreach	13,204	6,141
Equipment and repairs	2,400	342
Travelling	2,620	1,477
	<u>101,200</u>	<u>55,669</u>
Staff costs are split as follows		
Gross salaries	59,198	34,549
Employers' national insurance	6,296	3,690
Pension costs	<u>4,287</u>	<u>2,659</u>

Northwest Church

Notes to the financial statements for the year ended 31 December 2006

5	Governance costs	2006	2005
		£	£
	Office overheads	3,551	1,994
	Legal and professional	-	687
	Accountancy fees	1,175	-
	General expenses	115	-
	Depreciation and amortisation	1,540	-
	Interest and charges	99	16
		<u>6,480</u>	<u>2,697</u>
6.	Operating gain	2006	2005
		£	£
	Operating gain is stated after charging		
	Depreciation and other amounts written off tangible assets	<u>1,540</u>	<u>-</u>
7.	Trustees' emoluments	2006	2005
		£	£
	Remuneration and other benefits	<u>39,735</u>	<u>34,836</u>
	Number of trustees to whom retirement benefits are accruing under a money purchase scheme	1	1
	A trustee (D Hanton) received expense reimbursements in respect of training, equipment purchases, travel and subsistence incurred while performing his charitable duties		
8	Pension costs		
	The company operates a defined contribution pension scheme in respect of the two employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £4,287 (2005 - £2,659)		

Northwest Church

Notes to the financial statements for the year ended 31 December 2006

9.	Tangible fixed assets	Fixtures, fittings and equipment £	Total £		
	Cost				
	Additions	6,159	6,159		
	At 31 December 2006	6,159	6,159		
	Depreciation				
	Charge for the year	1,540	1,540		
	At 31 December 2006	1,540	1,540		
	Net book values				
	At 31 December 2006	4,619	4,619		
10	Debtors	2006 £	2005 £		
	Prepayments and accrued income	13,630	5,214		
11	Creditors: amounts falling due within one year	2006 £	2005 £		
	Other taxes and social security costs	1,819	-		
	Accruals and deferred income	2,685	-		
		4,504	-		
12.	Unrestricted funds	01/01/06 £	Incoming £	Outgoing £	31/12/06 £
	General reserves	15,669	118,330	(117,364)	16,635

Northwest Church

Notes to the financial statements for the year ended 31 December 2006

13. Restricted funds	01/01/06 £	Incoming £	Outgoing £	31/12/06 £
Specific reserves	-	3,745	(3,745)	-

Purposes of restricted funds

Restricted funds have been set up to control the expenditure relating to gifts received for specific purposes. In this year there was a collection made to support the famine crisis in Kenya.