NOVOUK LTD

England & Wales · Charity number 1115959

Details

Other names	CHURCH RESOURCE MINISTRIES
Status	Registered
Legal form	Charitable company
Company number	05081532
Registered	2006-08-30
Register	View on the Charity Commission register

Contact

Address	S&w Partners Llp 45 Gresham Street London EC2V 7BG
Phone	020 4617 523

Activities

Objects: THE ADVANCEMENT OF THE CHRISTIAN FAITH

Activities: The principal objective of the charity is the advancement of the Christian faith. This will be accomplished by launching innovative evangelism, discipleship, and church planting projects, and by providing systematic education, training, mentoring, and resources in and for church planting, church growth, and church leadership.

Classification

- **How:** Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, Religious Activities
- **Who:** Other Defined Groups

Geography

- **Area of benefit:** NOT DEFINED IN PRACTICE NATIONAL AND OVERSEAS
- Northern Ireland
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	-	-	-	-
2024-03-31	£486,632	£1,173,554	-	-
2023-03-31	£416,281	£425,446	-	-
2022-03-31	£416,010	£400,325	-	-
2021-03-31	£381,723	£400,133	-	-
2020-03-31	£335,138	£352,764	-	-

Trustees

Name	Role	Appointed
Andrew David Wright	Chair	2018-09-10
CLAIRE TINKLER		2020-11-09
Darren Ray Prince		2020-01-14
Rebekah Head		2023-10-01

NOVOUK LTD

England & Wales - Charity number 1115959

Accounts

NOVOUK LTD

Report and Accounts
Year ended 31 March 2024

Stewardship
Active generosity

1 Lamb's Passage, London EC1Y 8AB
www.stewardship.org.uk

NOVOUK LTD

COMPANY INFORMATION

FOR THE YEAR ENDED 31 MARCH 2024

Trustees	Mr D Aanderud (resigned September 2023) Ms R Head (appointed October 2023) Mr D Prince Ms C Tinkler Mr A Wright (Chair)
Governing Document	Memorandum and Articles of Association dated 23 March 2004 as amended on 14 December 2018
Company Registration Number	05081532
Charity Registration Number	1115959
Registered Office	5 Brayford Square London E1 0SG
Independent Examiner	Ajay Rajani FCIE Stewardship 1 Lamb's Passage London EC1Y 8AB
Bankers	Barclays Bank UK Plc

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NOVOUK LTD

TRUSTEES' ANNUAL REPORT
(INCORPORATING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2024

The trustees, who are the charity's directors for the purposes of company law, have pleasure in submitting the Report and Accounts for the year.

Structure, Governance and Management
The policy and operating decisions of the charity rest with the trustees who meet regularly to review and direct the activities of the charity. The day to day running of the charity is delegated to individuals with the appropriate skills. New trustees are recruited and appointed by a majority of existing trustees.

Objects of the charity
The principal objective of the charity is the advancement of the Christian faith. This will be accomplished by launching innovative evangelism and discipleship projects and by providing systematic education, training and resources in and for:

- church planting;
- church growth;
- church leadership; and
- biblical principles relating to church growth and church leadership.

Summary of the charity's main activities and achievements

Novo UK exists to further the advancement of the Christian faith. It does so through evangelism, training, and innovative projects in strategic communities across the UK. It also develops partnerships with like-minded people and organisations with the aim of generating rapid growth and multiplication of disciples in additional communities, thereby expanding Novo UK's influence across the UK. In 2023/24, Novo UK has seen growth in the number of disciple-makers they work with across the UK, and has trained many leaders in disciple-making from across different church denominations and charities. It has started a UK-based strategic network of disciple makers called the God Movement Network, and continues to take a lead in shaping a European partnership with five other countries with a view to share disciple-making resources and expertise for urban European centres.

The charity has supported ministries operating in Ukraine for a number of years. These ministries are well established and responded immediately when the war broke out in February 2022. They are very actively engaged in providing humanitarian aid and spiritual support to those affected by the war. The charity continues its support for these ministries and substantial donations have been received and distributed.

Since the end of the financial year, the National Director and trustees have continued to be in dialogue with HMRC regarding the back tax liability. The trustees are aware that the total back tax amounts which HMRC could formally demand would be far beyond the resources of Novo UK, and could force the closure of the charity. HMRC is aware of this and the trustees continue to hope for a favourable settlement.

The uncertainty surrounding the back taxes has made for a difficult period throughout 2024. It has been very hard for the charity to recruit new members and some existing members, particularly US members affected personally by the back taxes, have made the choice to move on. This has seen Novo UK shrink in size. In addition, in September 2024, the National Director of Novo UK stepped down, with the trustees appointing a new acting National Director to fill the gap.

The trustees have continued to work on plans for the future and the remaining community of Novo UK is engaged and highly active, but the charity is hoping for a resolution to the back tax situation soon.

In planning the activities the trustees have had regard to the guidance on public benefit issued by the Charity Commission.

Partnerships

The charity works, at a strategic level, in partnership with a charity with similar objects in the USA ("NOVO USA") and receives grant income from this US charity; these grants are shown separately in note 3 'Donations' to the accounts.

Tax liability and going concern

As part of its partnership with NOVO USA the charity oversees the work done by NOVO USA's missionary employees in the United Kingdom. The charity took professional advice on the tax status of these individuals and was advised that these employees of NOVO USA are obliged to pay tax in the United Kingdom and had not done so for some years. HM Revenue & Customs ('HMRC') have confirmed that the charity is liable for this tax.

The charity has fully paid the back tax obligations for 2022/23 and 2023/24 and is now paying income and national insurance taxes for all NOVO USA employees working with the charity in the UK on a monthly basis.

The charity has also made a payment on account for the 2021/22 liabilities of £100,000.

Nevertheless, HMRC have advised that the amount that remains due for these historic back tax liabilities is £822,612. This is far in excess of the charity's own resources.

The charity has continued in dialogue with HMRC and HMRC is aware that the charity, even with the financial support of NOVO USA, would be unable to pay this amount in full. The charity is hopeful that HMRC may be willing to agree a settlement for a lower amount. NOVO USA have indicated that, depending on the settlement offered by HMRC, they may be willing to provide some further financial support to enable the charity to continue operating.

The eventual settlement offer, and NOVO USA's willingness to provide financial support, are two material uncertainties. It is a material possibility that the charity will not be able to continue as a going concern as HMRC could commence proceedings to have the charity wound up.

However, the trustees believe that as HMRC will clearly recover a larger amount through a settlment which is, at least in part, funded by NOVO USA, this must be a more likely outcome than the charity being wound up. Therefore, they continue to believe that there is a reasonable expectation that the charity will be able to continue as a going concern and the going concern basis has been used in the preparation of these accounts.

Financial review

During the year income increased by £70,000 to £487,000 due to a substantial increase in the restricted income received for the various projects that the charity supports.

Normal operating expenditure fell by £52,000 to £374,000, which was mainly due to a reduction in the grants distributed this year by the charity .

The tax issue referred to above has given rise to a tax charge of £800,000 (see note 6 'Taxation' in the accounts) and the overall deficit for the year is therefore £687,000. The charity's net assets have fallen by £687,000 and the charity has ended the year with net liabilities of £609,000. Net liabilities comprise unrestricted cash of £17,000 plus restricted cash of £197,000 less a provision of £823,000 for taxation.

Reserves policy

The charity largely achieves its charitable objectives by making grants to mission partners and most of the charity's expenditure is funded from restricted income. The charity aims to hold unrestricted cash of no less than £15,000 to help meet its normal operating overheads. At the year end the charity held unrestricted cash of £17,000, which is sufficient to cover the reserve requirement for normal operating costs. The charity does not hold any other free reserves and would have to rely on NOVO USA for funding to help pay any tax settlement.

Key risks and uncertainties

The charity is exposed to various risks - be they operational, financial or reputational. The trustees review the charity's activities regularly to identify significant risks and, where possible, they take appropriate measures to mitigate those risks. The two key risks and uncertainties faced by the charity are the outcome of discussions concerning a tax settlement and, related to this, NOVO USA's willingness (and ability) to provide financial support.

Responsibilities of trustees under company law

The trustees are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing these financial statements, the trustees are required to:

1. select suitable accounting policies and apply them consistently;
2. observe the methods and principles in the Charities SORP;
3. make judgements and estimates that are reasonable and prudent;
4. state whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
5. prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that 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 2006. They 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.

Approval

This report, which has been prepared in accordance with the provisions of the Companies Act 2006 relating to small companies, was approved by the trustees and signed on their behalf by:

Andrew D Wright
Andrew D Wright (Dec 15, 2024 16:37 GMT)

Mr Andrew Wright
Chair of the Board

Date: Dec 15, 2024

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF

NOVOUK LTD
('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2024 on pages 6 to 13 following, which have been prepared on the basis of the accounting policies set out on pages 8 and 9.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a Fellow of the Association of Charity Independent Examiners, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

In my opinion, attention should be drawn to the following matter in order to enable a proper understanding of the accounts to be reached:

For reasons that are outlined in note 6 'Taxation' the charity has ended the year with unrestricted net liabilities of £805,263. The charity is seeking to negotiate a settlement with HMRC and, depending on the outcome, NOVO USA have indicated that they may be willing to support the charity financially. As explained in note 2(a) 'Going concern', the trustees believe that there is a reasonable expectation that the charity will be able to continue as a going concern and they have therefore used the going concern basis in the preparation of these accounts. However, they acknowledge that going concern is a material uncertainty because the future decisions and actions that will be taken by HMRC and NOVO USA cannot be reliably predicted. For this reason, I am unable to form a view on the going concern conclusion reached by the trustees and going concern may not be an appropriate basis for the preparation of these accounts.

Other than the matter referred to in the above paragraph, I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Ajay Rajani
Ajay Rajani (Dec 16, 2024 09:25 GMT)

Ajay Rajani FCIE
Fellow of the Association of Charity Independent Examiners
Stewardship
1 Lamb's Passage
London
EC1Y 8AB

Date: Dec 16, 2024

NOVOUK LTD

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Total Funds 2023 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	4,690	470,565	475,255	403,700
Charitable activities	4	11,377	-	11,377	12,581
Total income and endowments		16,067	470,565	486,632	416,281
EXPENDITURE ON:					
Charitable activities					
Operating expenses	5	18,491	354,951	373,442	425,446
Taxation	6	800,112	-	800,112	-
Total expenditure		818,603	354,951	1,173,554	425,446
Net income/(expenditure)		(802,536)	115,614	(686,922)	(9,165)
Transfers between funds	13	(3,369)	3,369	-	-
Net movement in funds		(805,905)	118,983	(686,922)	(9,165)
Reconciliation of funds:					
Total funds brought forward		642	77,431	78,073	87,238
Total funds carried forward	13	(805,263)	196,414	(608,849)	78,073

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing operations.

The statement of financial activities also complies with the requirements for an income and expenditure account required by the Companies Act 2006.

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

NOVOUK LTD
BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2024

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
CURRENT ASSETS							
Debtors	9						
Operating activities and other reimbursements due		42,261	-	42,261	4,874	-	4,874
Reimbursement for back taxes		-	-	-	472,500	-	472,500
		42,261	-	42,261	477,374	-	477,374
Cash at bank and in hand	10	17,055	196,414	213,469	54,987	77,431	132,418
		59,316	196,414	255,730	532,361	77,431	609,792
CREDITORS: Amounts falling due within one year	11	(41,967)	-	(41,967)	(6,719)	-	(6,719)
Net current assets / (liabilities)		17,349	196,414	213,763	525,642	77,431	603,073
Total assets less current liabilities		17,349	196,414	213,763	525,642	77,431	603,073
Provisions for liabilities	12	(822,612)	-	(822,612)	(525,000)	-	(525,000)
TOTAL NET ASSETS		(805,263)	196,414	(608,849)	642	77,431	78,073
FUND BALANCES	13						
Unrestricted Funds		(805,263)	-	(805,263)	642	-	642
Restricted Funds		-	196,414	196,414	-	77,431	77,431
		(805,263)	196,414	(608,849)	642	77,431	78,073

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2024.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2024 in accordance with Section 476 of the Companies Act 2006 however, in accordance with Section 145 of the Charities Act 2011, the accounts have been examined by an independent examiner and their report has been included in these financial statements.

The trustees (who are the charitable company's directors for the purposes of company law) acknowledge their responsibilities for:

(a) ensuring that the charitable company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and

(b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its net income or expenditure for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Trustees and were signed on its behalf by:

Andrew D Wright
Andrew D Wright (Dec 15, 2024 16:37 GMT)

Mr Andrew Wright

Dec 15, 2024

Date

Company number: 05081532 Charity number 1115959

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

1 Statutory Information

The charity is a charitable company limited by guarantee and is incorporated in the United Kingdom. The company's registered number and registered office address can be found on the Company Information page.

2 Accounting Policies

These financial statements are prepared on a going concern basis, under the historical cost convention.

These financial statements have been prepared in accordance with the "Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ("the Charities SORP"), with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102"), with the Companies Act 2006 and with the Charities Act 2011. The charity meets the definition of a public benefit entity as set out in FRS 102.

The principles adopted in the preparation of the financial statements are set out below.

a) Going concern

Largely as a result of the tax issue outlined in note 6 'Taxation', this year the charity has reported a deficit of £805,905 on unrestricted funds and has ended the year with unrestricted net liabilities of £805,263. As explained in note 6, the charity has been in discussions with HMRC and is hopeful of agreeing a settlement for a lower amount of tax as the tax calculated to be due far exceeds the charity's own resources. Depending on the eventual settlement offered by HMRC, NOVO USA have indicated that they may be willing to try to help support the charity financially so that it can continue to operate as a going concern. The eventual settlement offer, and NOVO USA's willingness to provide financial support, are two material uncertainties. Depending on the outcome, it is possible that the charity will not be able to continue as a going concern as HMRC could commence proceedings to have the charity wound up to try to maximise the recovery of tax. However the hope is that the settlement offer will be affordable and that NOVO USA will be both willing and able to support the charity financially so that it can continue to operate. The trustees believe that there is a reasonable expectation that the charity will be able to continue as a going concern and the going concern basis has been used in the preparation of these accounts.

b) Income

Income including investment income is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part, income is generally recognised when it is received. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Donated services are recognised as income when receivable at fair value (being an estimate of the amount that the charity would have been willing to pay for similar services). As these donated services are consumed immediately, a matching expense in respect of these services is included in the Statement of Financial Activities.

The charity relies on volunteers, in particular to oversee the general running of the charity. However, in accordance with the SORP, the value of these services has not been included in these financial statements as they cannot be reliably measured.

Income from charitable activities represents membership fees receivable from mission workers who receive services from the charity and conference fees from mission workers who have attended conferences organised by the charity.

c) Expenditure

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

The charity makes grants to other institutions and individuals to further its charitable objectives. Grants payable are recognised as constructive obligations arise, which is generally when the charity expresses a commitment to the recipient that can be measured reliably and then only to the extent that any conditions associated with the grant are outside of the control of the charity.

The charity has a policy where by it capitalises expenditure on tangible fixed assets when expenditure on any one item exceeds £1,000; to date, the charity has not incurred any expenditure that needs to be capitalised.

d) 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. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

e) Taxation

The company is a registered charity; it has taken advantage of the various reliefs from taxation available to charities and no tax is payable on the charity's income.

f) Financial instruments

The charity's financial assets and financial liabilities all qualify as basic financial instruments, as defined by FRS102. Except for loans, creditors and debtors are measured at their expected settlement value (normally the amount of cash that the charity expects to pay or receive). The charity recognises liabilities for the principal of those loans that remains outstanding at the year end.

2 Accounting Policies continued

g) Critical accounting estimates and areas of judgement

The material sources of estimation and uncertainty at the balance sheet date that could result in a material adjustment to the carrying values of assets and liabilities in the next reporting period are outlined in accounting policy 2(a) 'Going concern' and in note 6 'Taxation'.

3 Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
Donations of cash and similar	2,328	343,118	345,446	288,028
Grants received from NOVO USA	2,362	102,447	104,809	90,672
Donated services	-	25,000	25,000	25,000
	4,690	470,565	475,255	403,700

NOVO USA donated the services of one (2023: one) of its mission workers to serve as the charity's national director. The estimated value of these donated services to the charity is £25,000 (2023: £25,000). A matching expense is included in note 4 'Charitable expenditure'.

4 Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
Membership fees	5,577	-	5,577	6,309
Conferences and training	5,800	-	5,800	6,272
	11,377	-	11,377	12,581

5 Charitable expenditure

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
a Costs incurred directly on specific activities				
Ministry grants payable (note 5c)	1,750	256,843	258,593	298,212
Ministry support and development	1,628	13,965	15,593	16,232
Ministry conferences and training	-	7,774	7,774	22,357
Staff costs	-	32,185	32,185	32,026
Donated services expense (see note 3 'Donations and legacies')		25,000	25,000	25,000
	3,378	335,767	339,145	393,827
b Costs incurred on support & administration				
Independent examiner's fee	474	3,366	3,840	3,120
Professional fees	14,087	11,371	25,458	16,273
Media expenses	196	1,922	2,118	7,417
Other administrative expenses	356	2,525	2,881	4,809
	15,113	19,184	34,297	31,619
Total expenditure	18,491	354,951	373,442	425,446

The fee payable to the independent examiner for preparing and examining the accounts was £3,840 (2023: £3,120); in addition the charity paid £775 (2023: £726) to Stewardship for payroll bureau and consultancy services.

c Grants payable

	Institutions £	Individuals £	2024 £
Grants for UK and overseas mission			
Individuals	-	178,573	178,573
NOVO Ukraine	58,766	-	58,766
NOVO USA	13,685	-	13,685
Stewardship	5,819	-	5,819
Ffald Y Brenin	1,750	-	1,750
	80,020	178,573	258,593

NOVO Ukraine, NOVO Germany and NOVO USA are registered charities in their home nations. They are independent charities and they are all part of the global NOVO network of like minded mission charities.

5c Grants payable continued

In the previous year, the charity made the following grants:

	Institutions	Individuals	2023
	£	£	£
Grants for UK and overseas mission			
Individuals	-	204,033	204,033
NOVO Ukraine	13,424	-	13,424
NOVO Germany for their work in Ukraine	58,342	-	58,342
NOVO USA	22,413	-	22,413
	94,179	204,033	298,212

6 Taxation

The charity works closely with NOVO in the USA ('NOVO USA') and, for a number of years, has overseen the work done by their mission partners in the United Kingdom. The charity took professional advice on the tax status of these individuals and was advised that these mission partners are obliged to pay tax in the United Kingdom and have not done so. Furthermore the charity was advised that it would be held liable for this tax and this was confirmed subsequently by HM Revenue & Customs ('HMRC').

To rectify this, the charity asked its tax advisors to:

b) open and operate a payroll with effect from 6 April 2022 for the NOVO USA mission partners working in the UK. The charity is operating this payroll as agent for NOVO USA. As agent for NOVO USA, during the year the charity payroll taxes of £560,134 to HMRC and received reimbursements totalling £553,414 from NOVO USA. At the year end the charity was owed £6,720 for payroll taxes by NOVO USA.

   In addition during the year the charity incurred professional fees totalling £34,266 as agent for NOVO USA (mainly in respect of the above payroll) and a reimbursement for these professional fees was owed by NOVO USA at the year end.

   The total amount owed at the year end by NOVO USA for payroll taxes and tax related professional fees was £40,986 (see note 9 'Debtors').

a) calculate the back taxes owed to HMRC for earlier years. The charity's tax advisors previously determined that approximately £525,000 was owed in respect of the four tax years ending on 5 April 2022 and a provision for this tax was included in the previous year's accounts. At the time the charity's tax advisors did not believe that HMRC would ask for tax to be paid for any earlier tax years.

   Based on the above tax estimate, and subject to confirmation of the amount owed, NOVO USA had previously indicated that it would help the charity pay any tax that might be due. During the year NOVO USA helped the charity make an on account payment of £100,000 to HMRC by contributing £70,000.

   In December 2023 the charity received some indication that HMRC might seek to hold the charity liable for taxes for three earlier tax years. This has been confirmed since the year end and, after deducting the on account payment of £100,000 mentioned above, HMRC have advised that the tax that remains due is calculated to be £822,612 (see note 12 'Provisions'), which is substantially more than the previous estimate.

   HMRC have not yet issued a formal demand for the tax and recognise that the amount calculated to be due is far greater than the charity's own resources (namely the charity's unrestricted funds). Therefore, in seeking to try to maximise the recovery of tax, the trustees are hopeful that HMRC may be willing to accept a settlement for a lower amount. Discussions with HMRC are continuing but it may be some time before the charity receives a formal settlement offer. The settlement offer will then be put to NOVO USA and it is hoped that they will agree to help finance the settlement.

   At the present time, NOVO USA are no longer able to make a commitment to provide financial support and the balance of the previous year's debtor for financial support has been written back in these financial statements. At the end of the previous year the financial assistance receivable from NOVO USA was estimated to be £472,500 (see note 9 'Debtors'); during the year NOVO USA contributed £70,000 and the remaining £402,500 has been written back in these accounts.

   The tax charge in these accounts comprises:

Total amount of tax demanded	922,612
Less: the previous estimate of the charity's share of the liability	(52,500)
Less: amount contributed by NOVO USA during the year	(70,000)
	800,112

7 Analysis of staff costs, the cost of key management personnel and trustee remuneration

The average monthly number of employees during the year was 1 (2023: 1).

No staff received salaries at a rate of more than £60,000 per annum.

The charity's key management comprise the trustees, the national director and the deputy national director. During the year key management received employment benefits totalling £31,500 (2023: £31,500).

No trustees received employment benefits in either the current or preceding year.

8 Other occasions when the charity has acted as agent for NOVO USA

From time to time there are other occasions when the charity acts as agent for NOVO USA. This includes instances when it receives money from NOVO USA that it then pays on to known grant recipients. This income, and related payments, are excluded from the Statement of Financial Activities; any money that has not been distributed by the year-end is recognised as a creditor. In the previous year, as agent, the charity received £24,778 (2024: £nil) and paid £36,536 (2024: £nil). In respect of these arrangements, no amounts were owed to, or by, NOVO USA at the year end (2023: £nil).

9 Debtors

	2024	2023
	£	£
Prepayments and accrued income	1,275	4,874
Reimbursement for payroll taxes and tax related professional fees due from NOVO USA	40,986	-
Contribution towards back taxes for tax years ending on 5 April 2022 due from NOVO USA	-	472,500
	42,261	477,374

Information about the amounts owed by NOVO USA on both 31 March 2024 and on 31 March 2023 is given in note 6 'Taxation'.

10 Cash at Bank and in Hand

	2024	2023
	£	£
Cash at bank with immediate access	213,469	132,418

11 Creditors: liabilities falling due within one year

	2024	2023
	£	£
Trade creditors	2,955	2,453
Professional fees due in respect of back taxes and payroll for NOVO USA staff	34,266	-
Accruals and other creditors	4,746	4,266
	41,967	6,719

12 Provisions

	2024	2023
	£	£
Taxation		
Provision brought forward	525,000	525,000
Provision arising in the year	397,612	-
Payments made in part settlement during the year	(100,000)	-
Provision carried forward	822,612	525,000

Information about the above provision, and related uncertainties, is given in note 6 'Taxation'.

13 Funds

During the year the movements in the charity's funds were as follows:

	Opening balance 2024 £	Incoming resources 2024 £	Outgoing resources 2024 £	Transfers in the year 2024 £	Closing balance 2024 £
Restricted funds					
Mission Partner fund					
Projects in Ukraine	48,100	227,644	(157,538)	-	118,206
Other projects	28,803	217,921	(171,885)	3,369	78,208
Donated services fund	-	25,000	(25,000)	-	-
Media fund	528	-	(528)	-	-
	77,431	470,565	(354,951)	3,369	196,414
Unrestricted general funds	642	16,067	(818,603)	(3,369)	(805,263)
Aggregate of funds	78,073	486,632	(1,173,554)	-	(608,849)

In the previous year the movements in the charity's funds were as follows:

	Opening balance 2023 £	Incoming resources 2023 £	Outgoing resources 2023 £	Transfers in the year 2023 £	Closing balance 2023 £
Restricted funds					
Mission Partner fund					
Projects in Ukraine	53,213	202,591	(207,739)	35	48,100
Other projects	25,659	160,369	(157,190)	(35)	28,803
Donated Services fund	-	25,000	(25,000)	-	-
	-	7,945	(7,417)	-	528
	78,872	395,905	(397,346)	-	77,431
Unrestricted general funds	8,366	20,376	(28,100)	-	642
Aggregate of funds	87,238	416,281	(425,446)	-	78,073

Mission Partner fund is a restricted fund and was created from donations received to support specific mission projects and / or mission workers. Towards the end of the previous year, in response to the outbreak of war, the charity launched a special appeal to try to increase the charity's support for ministries operating in Ukraine. To help draw attention to the significance of this support, the movements on these Ukrainian funds are shown separately in the above tables.

The **Donated Services** fund is a restricted fund representing the services of individuals donated by NOVO USA to serve as the charity's national director (until September 2024) and, in the previous year, as it's operations director (until September 2021).

The **Media** fund is a restricted fund created by a grant received to help develop media for use in communicating the charity's work.

14 Transactions with related parties

During the year the charity:

a) did not receive any donations (2023: £nil) from related parties (which includes trustees, key management and anyone closely connected to them).

b) paid legal and professional fees totalling £2,580 (2023: £nil) for D Aanderud, who is a member of key management.

Except for the reimbursement of expense incurred when acting as agent for the charity, no expenses (2023: £nil) were paid to, or for, the trustees.

Except as disclosed in note 7 'Analysis of staff costs', there have been no other transactions with related parties during the year.

15 Members

Each member of the company commits to contribute if the charity is wound up an amount of £1.

NOVOUK LTD

DETAILED STATEMENT OF FINANCIAL ACTIVITIES WITH COMPARATIVES

FOR THE YEAR ENDED 31 MARCH 2024

	Note	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £
INCOME AND ENDOWMENTS FROM:							
Donations and legacies	3	4,690	470,565	475,255	7,795	395,905	403,700
Charitable activities	4	11,377	-	11,377	12,581	-	12,581
Total income and endowments		16,067	470,565	486,632	20,376	395,905	416,281
EXPENDITURE ON:							
Charitable activities:							
Operating expenses	5	18,491	354,951	373,442	28,100	397,346	425,446
Taxation	6	800,112	-	800,112	-	-	-
Total Expenditure		818,603	354,951	1,173,554	28,100	397,346	425,446
Net income/(expenditure)		(802,536)	115,614	(686,922)	(7,724)	(1,441)	(9,165)
Transfers between funds	13	(3,369)	3,369	-	-	-	-
Net movement in funds		(805,905)	118,983	(686,922)	(7,724)	(1,441)	(9,165)
Reconciliation of funds:							
Total funds brought forward		642	77,431	78,073	8,366	78,872	87,238
Total funds carried forward	13	(805,263)	196,414	(608,849)	642	77,431	78,073

NOVOUK LTD

England & Wales - Charity number 1115959

Accounts

NOVOUK LTD

Report and Accounts
Year ended 31 March 2023

Stewardship
Active generosity

1 Lamb's Passage, London EC1Y 8AB
www.stewardship.org.uk

NOVOUK LTD

COMPANY INFORMATION

FOR THE YEAR ENDED 31 MARCH 2023

Trustees	Mr D Aanderud (resigned September 2023) Ms R Head (appointed October 2023) Mr D Prince Ms C Tinkler Mr A Wright (Chair)
Company Secretary	Mr D Aanderud
Governing Document	Memorandum and Articles of Association dated 23 March 2004 as amended on 14 December 2018
Company Registration Number	05081532
Charity Registration Number	1115959
Registered Office	182 Old Montague Street London E1 5NA
Independent Examiner	Ajay Rajani FCIE Stewardship 1 Lamb's Passage London EC1Y 8AB
Bankers	Barclays Bank UK Plc

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The trustees, who are the charity's directors for the purposes of company law, have pleasure in submitting the Report and Accounts for the year.

Structure, Governance and Management
The policy and operating decisions of the charity rest with the trustees who meet regularly to review and direct the activities of the charity. The day to day running of the charity is delegated to individuals with the appropriate skills. New trustees are recruited and appointed by a majority of existing trustees.

Objects of the charity
The principal objective of the charity is the advancement of the Christian faith. This will be accomplished by launching innovative evangelism and discipleship projects and by providing systematic education, training and resources in and for:

- church planting;
- church growth;
- church leadership; and
- biblical principles relating to church growth and church leadership.

Summary of the charity's main activities and achievements
Novo UK exists to further the advancement of the Christian faith. It does so through evangelism, training, and innovative projects in strategic communities across the UK. It also develops partnerships with like-minded people and organisations with the aim of generating rapid growth and multiplication of disciples in additional communities, thereby expanding Novo UK’s influence across the UK. In 2022/23, Novo UK has launched new teams in six locations and trained hundreds of leaders in disciple making from across different UK denominations and charities. It has started a UK-based strategic network of disciple makers called Catalyst Network, and has also helped birth a European partnership with five other countries with a view to share disciple-making resources and expertise for urban European centres.

The charity has supported ministries operating in Ukraine for a number of years. These ministries are well established and responded immediately when the war broke out in February 2022 . They are very actively engaged in providing humanitarian aid and spiritual support to those affected by the war. In the previous year the charity launched a special appeal to try to bolster its support for these ministries and substantial donations have been received and distributed.

In planning the activities the trustees have had regard to the guidance on public benefit issued by the Charity Commission.

Partnerships
The charity works, at a strategic level, in partnership with a charity with similar objects in the USA ("NOVO USA") and receives grant income from this US charity; these grants are shown separately in note 3 'Donations' to the accounts.

Tax liability and going concern

As part of its partnership with NOVO USA the charity oversees the work done by NOVO USA's mission partners in the United Kingdom. The charity has taken professional advice on the tax status of these individuals and has been advised that these mission partners are obliged to pay tax in the United Kingdom and have not done so. Furthermore, because of the charity's close relationship with NOVO USA, it was very likely that the charity would be held liable for this tax. The charity's tax advisors previously estimated the liability to be £525,000 and, based on this estimate, NOVO USA had previously agreed to support the charity financially by reimbursing most of the expense and (if necessary) by providing loans. However, following the receipt of some recent correspondence from HM Revenue & Customs, it is now possible that the tax liability could be substantially more than £525,000 (see note 6 'Taxation' for more information). As there is significant uncertainty over the amoumt of tax that will be due, NOVO USA is not able at this time to make a commitment to help finance the settlement of the liability. The relationship with NOVO USA remains strong and, if at all possible, there is a willingness to support the charity financially. For these reasons the trustees believe that, when the time comes, NOVO USA will provide the funds that are needed to settle the tax liability and provide the financial resources that the charity needs to continue operating. Therefore the accounts continue to be prepared on a going concern basis.

Financial review

During the year income increased by £271 to £416,281. In response to the war in Ukraine, donations to help support ministries operating in Ukraine increased by £76,026. Other restricted donations decreased by £63,966 (partly because many of the charity's mission partners are now self funding) and unrestricted income fell by £11,789.

During the year expenditure increased by £25,121 to £425,446. Expenditure to support ministries operating in Ukraine increased by £128,660. Other restricted expenditure fell by £112,325, mainly because many of the charity's mission partners are now self funding. Unrestricted expenditure increased by £4,786 as the charity increased its spending on training mission partners and developing the charity's activities; the increase in expenditure on these activities was partly offset by a reduction in professional fees paid in respect of the above tax issue.

As a result the charity has reported a deficit this year of £9,165 (2022: a surplus of £15,685) and the charity's net assets decreased by £9,165 to £78,073. The charity ended the year with cash of £132,418, of which £54,987 was unrestricted.

Reserves policy

The charity largely achieves its charitable objectives by making grants to mission partners and most of the charity's expenditure is funded from restricted income. The charity has budgeted for unrestricted overheads of £17,000 for the coming year and the trustees are seeking to hold unrestricted cash of no less than 6 month's budgeted overheads (or £8,500), plus £52,500, to help settle the tax liability referred to above i.e. in total £61,000. At the year end the charity held unrestricted cash of £54,987. Though this is below the charity's target for holding reserves, the trustees are satisfied that the charity can continue to operate with this level of reserves for the time being. Ultimately, in view of the tax issue referred to above, the charity will not be able to continue to operate unless it receives financial support from NOVO USA.

Key risks and uncertainties

The charity is exposed to various risks - be they operational, financial or reputational. The trustees review the charity's activities regularly to identify significant risks and, where possible, they take appropriate measures to mitigate those risks. Until the tax liability referred to above is agreed and settled, this issue is considered to represent a significant risk.

Responsibilities of trustees under company law

The trustees are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing these financial statements, the trustees are required to:

1. select suitable accounting policies and apply them consistently;
2. observe the methods and principles in the Charities SORP;
3. make judgements and estimates that are reasonable and prudent;
4. state whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
5. prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that 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 2006. They 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.

Approval

This report, which has been prepared in accordance with the provisions of the Companies Act 2006 relating to small companies, was approved by the trustees and signed on their behalf by:

Andrew Wright

Mr Andrew Wright
Chair of the Board

Date: 18 December 2023

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF

NOVOUK LTD
('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2023 on pages 6 to 13 following, which have been prepared on the basis of the accounting policies set out on pages 8 and 9.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a Fellow of the Association of Charity Independent Examiners, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

As explained in note 2 (a) 'Going Concern' and in note 6 'Taxation', the trustees anticipate that the charity will be asked to settle a substantial tax liability and the charity could only do this if it receives financial assistance from NOVO USA. Based on a previous estimate of the tax liability, NOVO USA had undertaken to provide this financial support. However HM Revenue & Customs have recently asked for tax calculations for a further three years and it is now believed that the eventual tax liability could be substantially more than the current estimate. Until the actual tax liability is known and has been formally considered by its trustees, NOVO USA is unable at this time to make a commitment to support the charity financially. Therefore, though the trustees remain confident that this support will be forthcoming, going concern is considered to be material uncertainty.

Other than the matter referred to in the above paragraph, I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Ajay Rajani

Ajay Rajani FCIE
Fellow of the Association of Charity Independent Examiners
Stewardship
1 Lamb's Passage
London
EC1Y 8AB

Date: 19 December 2023

NOVOUK LTD

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	7,795	395,905	403,700	413,720
Charitable activities	4	12,581	-	12,581	2,290
Total income and endowments		20,376	395,905	416,281	416,010
EXPENDITURE ON:					
Charitable activities					
Operating expenses	5	28,100	397,346	425,446	400,325
Taxation	6	-	-	-	-
Total expenditure		28,100	397,346	425,446	400,325
Net income/(expenditure)		(7,724)	(1,441)	(9,165)	15,685
Transfers between funds	13	-	-	-	-
Net movement in funds		(7,724)	(1,441)	(9,165)	15,685
Reconciliation of funds:					
Total funds brought forward		8,366	78,872	87,238	71,553
Total funds carried forward	13	642	77,431	78,073	87,238

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing operations.

The statement of financial activities also complies with the requirements for an income and expenditure account required by the Companies Act 2006.

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

NOVOUK LTD
BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2023

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
CURRENT ASSETS							
Debtors	9						
Operating activities		4,874	-	4,874	4,479	-	4,479
Tax reimbursement		472,500	-	472,500	472,500	-	472,500
		477,374	-	477,374	476,979	-	476,979
Cash at bank and in hand	10	54,987	77,431	132,418	74,783	78,872	153,655
		532,361	77,431	609,792	551,762	78,872	630,634
CREDITORS: Amounts falling due within one year	11	(6,719)	-	(6,719)	(18,396)	-	(18,396)
Net current assets / (liabilities)		525,642	77,431	603,073	533,366	78,872	612,238
Total assets less current liabilities		525,642	77,431	603,073	533,366	78,872	612,238
Provisions for liabilities	12	(525,000)	-	(525,000)	(525,000)	-	(525,000)
TOTAL NET ASSETS		642	77,431	78,073	8,366	78,872	87,238
FUND BALANCES	13						
Unrestricted Funds		642	-	642	8,366	-	8,366
Restricted Funds		-	77,431	77,431	-	78,872	78,872
		642	77,431	78,073	8,366	78,872	87,238

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2023 in accordance with Section 476 of the Companies Act 2006 however, in accordance with Section 145 of the Charities Act 2011, the accounts have been examined by an independent examiner and their report has been included in these financial statements.

The trustees (who are the charitable company's directors for the purposes of company law) acknowledge their responsibilities for:

(a) ensuring that the charitable company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and

(b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its net income or expenditure for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Trustees and were signed on its behalf by:

Andrew Wright

Mr Andrew Wright Date 18 December 2023

Company number: 05081532 Charity number 1115959

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

1 Statutory Information

The charity is a charitable company limited by guarantee and is incorporated in the United Kingdom. The company's registered number and registered office address can be found on the Company Information page.

2 Accounting Policies

These financial statements are prepared on a going concern basis, under the historical cost convention.

These financial statements have been prepared in accordance with the "Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ("the Charities SORP"), with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102"), with the Companies Act 2006 and with the Charities Act 2011. The charity meets the definition of a public benefit entity as set out in FRS 102.

The principles adopted in the preparation of the financial statements are set out below.

a) Going concern

As explained in note 6 ‘Taxation’ the trustees note that it is likely that the charity will have to settle a substantial tax liability, which the charity’s tax advisors had previously estimated to be in the region of £525,000. Based on this estimate, NOVO USA had previously undertaken to support the charity financially by reimbursing most of this expense and by providing loans. However, as explained in note 6, just prior to the signing of these accounts, HM Revenue & Customs asked the charity to calculate the tax that would be due for a further three years. These calculations are currently being prepared but, as the size of the eventual liability is not yet known and could be substantially more than £525,000, NOVO USA is unable at this time to make a commitment to support the charity to whatever amount is required. The relationship with NOVO USA remains strong and, if at all possible, there is a willingness to support the charity financially. For these reasons the trustees believe that, when the time comes, NOVO USA will provide the funds that are needed to settle the tax liability and provide the financial resources that it needs to continue operating for a period of at least 12 months from the date that these accounts were approved. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

b) Income

Income including investment income is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part, income is generally recognised when it is received. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Donated services are recognised as income when receivable at fair value (being an estimate of the amount that the charity would have been willing to pay for similar services). As these donated services are consumed immediately, a matching expense in respect of these services is included in the Statement of Financial Activities.

The charity relies on volunteers, in particular to oversee the general running of the charity. However, in accordance with the SORP, the value of these services has not been included in these financial statements as they cannot be reliably measured.

Income from charitable activities represents income from membership fees receivable from mission workers who receive services from the charity.

c) Expenditure

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

The charity makes grants to other institutions and individuals to further its charitable objectives. Grants payable are recognised as constructive obligations arise, which is generally when the charity expresses a commitment to the recipient that can be measured reliably and then only to the extent that any conditions associated with the grant are outside of the control of the charity.

The charity has a policy where by it capitalises expenditure on tangible fixed assets when expenditure on any one item exceeds £1,000; to date, the charity has not incurred any expenditure that needs to be capitalised.

d) 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. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

e) Taxation

The company is a registered charity; it has taken advantage of the various reliefs from taxation available to charities and no tax is payable on the charity's income.

2 Accounting Policies continued

f) Financial instruments

The charity's financial assets and financial liabilities all qualify as basic financial instruments, as defined by FRS102. Except for loans, creditors and debtors are measured at their expected settlement value (normally the amount of cash that the charity expects to pay or receive). The charity recognises liabilities for the principal of those loans that remains outstanding at the year end.

g) Critical accounting estimates and areas of judgement

The trustees do not consider that there are any material sources of estimation or uncertainty at the balance sheet date that could result in a material adjustment to the carrying values of assets and liabilities in the next reporting period.

3 Donations and legacies

	Unrestricted Funds	Restricted Funds	Total 2023	Total 2022
	£	£	£	£
Donations of cash and similar	3,542	284,486	288,028	305,366
Grants received from NOVO USA	4,253	86,419	90,672	73,354
Donated services	-	25,000	25,000	35,000
	7,795	395,905	403,700	413,720

NOVO USA donated the services of one (2022: two) of its mission workers to serve as the charity's national director and, in 2022, as it's operations director . The estimated value of these donated services to the charity is £25,000 (2022: £35,000). A matching expense is included in note 4 'Charitable expenditure'.

4 Income from charitable activities

	Unrestricted Funds	Restricted Funds	Total 2023	Total 2022
	£	£	£	£
Membership fees	6,309	-	6,309	2,290
Conferences and training	6,272		6,272	-
	12,581	-	12,581	2,290

Many of the charity's mission partners are now self funding and the charity receives membership fees from these mission workers that help cover the charity's expenses.

5 Charitable expenditure

	Unrestricted Funds	Restricted Funds	Total 2023	Total 2022
	£	£	£	£
a Costs incurred directly on specific activities				
Ministry grants payable (note 5c)	-	298,212	298,212	297,929
Ministry support and development	4,342	11,890	16,232	15,045
Ministry conferences and training	13,433	8,924	22,357	-
Staff costs	-	32,026	32,026	15,669
Donated services expense (see note 3 'Donations and legacies')	-	25,000	25,000	35,000
	17,775	376,052	393,827	363,643
b Costs incurred on support & administration				
Independent examiner's fee	1,040	2,080	3,120	3,000
Professional fees	7,786	8,487	16,273	26,807
Media expenses	-	7,417	7,417	-
Other administrative expenses	1,499	3,310	4,809	6,875
	10,325	21,294	31,619	36,682
Total expenditure	28,100	397,346	425,446	400,325

The fee payable to the independent examiner for preparing and examining the accounts was £3,000 (2022: £3,000); in addition the charity paid £726 (2022: £444) to Stewardship for payroll bureau and consultancy services.

5c Grants payable

	Institutions	Individuals	2023
	£	£	£
Grants for UK and overseas mission			
Individuals	-	204,033	204,033
NOVO Ukraine	13,424	-	13,424
NOVO Germany for their work in Ukraine	58,342	-	58,342
NOVO USA	22,413	-	22,413
	94,179	204,033	298,212

NOVO Ukraine, NOVO Germany and NOVO USA are registered charities in their home nations. They are independent charities and they are all part of the global NOVO network of like minded mission charities.

In the previous year, the charity made the following grants:

	Institutions	Individuals	2022
	£	£	£
Grants for UK and overseas mission			
Individuals	-	274,303	274,303
Impact Giving UK Trust	15,000	-	15,000
Ffald-y-Brenin Trust Ltd	8,626	-	8,626
	23,626	274,303	297,929

6 Taxation

The charity works closely with NOVO in the USA ('NOVO USA') and oversees the work done by their mission partners in the United Kingdom. The charity has taken professional advice on the tax status of these individuals and has been advised that some of these mission partners are obliged to pay tax in the United Kingdom and have not done so. Furthermore, because of the charity's close relationship with NOVO USA, it is believed that the charity will be held liable for this tax.

The charity’s tax advisors had previously advised that the tax due could be up to £525,000 (in respect of the four year period between 1 April 2018 and 31 March 2022). Based on this estimate, NOVO USA agreed to support the charity financially by reimbursing most of this expense and by providing loans. The charity budgeted for its share of the liability to be £52,500 and, in the charity's accounts for the year ended 31 March 2021, £52,500 was charged to the Statement of Financial Activities.

The existence of this tax issue has now been disclosed to HM Revenue & Customs. Shortly before the signing of these accounts, HM Revenue & Customs asked the charity to provide calculations for the tax that would be due for a further three years (i.e. for the period from 1 April 2015 to 31 March 2018). These calculations are currently being prepared. This could indicate that HM Revenue & Customs is minded to require repayment of an amount larger than that provided for in these accounts but, at this time, no further information has been provided by HM Revenue & Customs and any additional potential liability is still being calculated. It is possible that the charity may have grounds to successfully challenge any tax that might be assessed in respect of the additional three year period.

As the eventual tax liability could be substantially more than £525,000, NOVO USA is not able at this time to make a commitment to help finance the settlement of the liability until the tax due has been calculated and considered by the trustees.

Given these uncertainties, the charity is unable to reliably revise the estimates for the tax due and the related reimbursement receivable from NOVO USA and the previous estimates have not been updated.

7 Analysis of staff costs, the cost of key management personnel and trustee remuneration

The average monthly number of employees during the year was 1 (2022: 0.5). Most of the charity's activities are carried out by individuals who receive grants from this charity or from other charities and, to a lesser extent, by volunteers.

No staff received salaries at a rate of more than £60,000 per annum.

The charity's key management comprise the trustees (one of whom also serves as national director) and the deputy national director (who has served since October 2021). During the year key management received employment benefits totalling £31,500 (2022: £15,375).

No trustees received employment benefits in either the current or preceding year.

8 Acting as agent

From time to time the charity acts as agent for NOVO USA and receives money that it then pays on to known grant recipients. This income, and related payments, are excluded from the Statement of Financial Activities; any money that has not been distributed by the year-end is recognised as a creditor. In its capacity as agent for NOVO USA, during the year the charity received £24,778 (2022: £53,137) and paid over £36,536 (2022: £41,379); at the year end, the charity held £nil (2022: £11,758) for NOVO USA.

9 Debtors

	2023	2022
	£	£
Operating activities:		
Prepayments and accrued income	4,874	4,479
Reimbursement for tax due from NOVO USA	472,500	472,500
	477,374	476,979

As explained in note 6 'Taxation', the charity has been advised that at the present time the charity is estimated to have a tax liability of £525,000 in respect of the NOVO USA mission partners that worked in the United Kingdom. Based on this estimate, NOVO USA previously agreed to support the charity financially by reimbursing £472,500 and a debtor for this amount has been included in the accounts. The remaining £52,500 represents the charity's estimated share of the tax liability and this was charged to the Statement of Financial Activities in the charity's accounts for the year ended 31 March 2021. The trustees note that there are now some uncertainties over the amount of tax due and the reimbursement receivable from NOVO USA, which are explained in note 6 'Taxation'.

10 Cash at Bank and in Hand

	2023	2022
	£	£
Cash at bank with immediate access	132,418	153,655

11 Creditors: liabilities falling due within one year

	2023	2022
	£	£
Trade creditors	2,453	2,613
Funds held as agent for NOVO USA (see note 8 'Acting as agent')	-	11,758
Accruals and other creditors	4,266	4,025
	6,719	18,396

12 Provisions

	2023	2022
	£	£
Taxation		
Provision brought forward	525,000	525,000
Provision arising in the year	-	-
Provision carried forward	525,000	525,000

As explained in note 6 'Taxation', the charity has been advised that at the present time the charity is estimated to have a tax liability of £525,000 in respect of the NOVO USA mission partners that worked in the United Kingdom. The trustees note that there are now some uncertainties over the amount of tax due, which are explained in note 6 'Taxation'.

13 Funds

During the year the movements in the charity's funds were as follows:

	Opening balance 2023	Incoming resources 2023	Outgoing resources 2023	Transfers in the year 2023	Closing balance 2023
	£	£	£	£	£
Restricted funds					
Mission Partner fund					
Projects in Ukraine	53,213	202,591	(207,739)	35	48,100
Other projects	25,659	160,369	(157,190)	(35)	28,803
Donated services fund	-	25,000	(25,000)	-	-
Media fund	-	7,945	(7,417)	-	528
	78,872	395,905	(397,346)	-	77,431
Unrestricted general funds	8,366	20,376	(28,100)	-	642
Aggregate of funds	87,238	416,281	(425,446)	-	78,073

13 Funds continued

In the previous year the movements in the charity's funds were as follows:

	Opening balance 2022 £	Incoming resources 2022 £	Outgoing resources 2022 £	Transfers in the year 2022 £	Closing balance 2022 £
Restricted funds					
Mission Partner fund					
Projects in Ukraine	1,727	126,565	(75,079)	-	53,213
Other projects	70,898	222,280	(266,932)	(587)	25,659
Donated Services fund	-	35,000	(35,000)	-	-
	72,625	383,845	(377,011)	(587)	78,872
Unrestricted general funds	(1,072)	32,165	(23,314)	587	8,366
Aggregate of funds	71,553	416,010	(400,325)	-	87,238

Mission Partner fund is a restricted fund and was created from donations received to support specific mission projects and / or mission workers. Towards the end of the previous year, in response to the outbreak of war, the charity launched a special appeal to try to increase the charity's support for ministries operating in Ukraine. To help draw attention to the significance of this support, the movements on these Ukrainian funds are shown separately in the above tables.

The **Donated Services** fund is a restricted fund representing the services of individuals donated by NOVO USA to serve as the charity's national director and, in the previous year, as it's operations director (until September 2021).

The **Media** fund is a restricted fund created by a grant received to help develop media for use in communicating the charity's work.

14 Transactions with related parties

During the year the charity:

a) did not receive any donations (2022: £nil) from related parties (which includes trustees, key management and anyone closely connected to them).

b) except for the reimbursement of expense incurred when acting as agent for the charity, no expenses (2022: £nil) were paid to, or for, the trustees.

Except as disclosed in note 7 'Analysis of staff costs', there have been no other transactions with related parties during the year.

15 Members

Each member of the company commits to contribute if the charity is wound up an amount of £1.

NOVOUK LTD

DETAILED STATEMENT OF FINANCIAL ACTIVITIES WITH COMPARATIVES

FOR THE YEAR ENDED 31 MARCH 2023

	Note	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £
INCOME AND ENDOWMENTS FROM:							
Donations and legacies	3	7,795	395,905	403,700	29,875	383,845	413,720
Charitable activities	4	12,581	-	12,581	2,290	-	2,290
Total income and endowments		20,376	395,905	416,281	32,165	383,845	416,010
EXPENDITURE ON:							
Charitable activities:							
Operating expenses	5	28,100	397,346	425,446	23,314	377,011	400,325
Taxation	6	-	-	-	-	-	-
Total Expenditure		28,100	397,346	425,446	23,314	377,011	400,325
Net income/(expenditure)		(7,724)	(1,441)	(9,165)	8,851	6,834	15,685
Transfers between funds	13	-	-	-	587	(587)	-
Net movement in funds		(7,724)	(1,441)	(9,165)	9,438	6,247	15,685
Reconciliation of funds:							
Total funds brought forward		8,366	78,872	87,238	(1,072)	72,625	71,553
Total funds carried forward	13	642	77,431	78,073	8,366	78,872	87,238

NOVOUK LTD

England & Wales - Charity number 1115959

Accounts

NOVOUK LTD
(formerly Church Resource Ministries)

Report and Accounts

Year ended 31 March 2022

Stewardship
Active generosity

1 Lamb's Passage, London EC1Y 8AB
www.stewardship.org.uk

NOVOUK LTD

COMPANY INFORMATION

FOR THE YEAR ENDED 31 MARCH 2022

Trustees	Mr D Aanderud	
	Mr D Prince	
	Ms C Tinkler	
	Mr A Wright (Chair)	
	Ms M Wyard	(resigned 22 March 2022)
Company Secretary	Mr D Aanderud	
Governing Document	Memorandum and Articles of Association dated 23 March 2004 as amended on 14 December 2018	
Company Registration Number	05081532	
Charity Registration Number	1115959	
Registered Office	182 Old Montague Street London E1 5NA	
Independent Examiner	Ajay Rajani FCIE Stewardship 1 Lamb's Passage London EC1Y 8AB	
Bankers	National Westminster Bank Plc Barclays Bank UK Plc	

Contents **Page**

The trustees, who are the charity's directors for the purposes of company law, have pleasure in submitting the Report and Accounts for the year.

Structure, Governance and Management

The policy and operating decisions of the charity rest with the trustees who meet regularly to review and direct the activities of the charity. The day to day running of the charity is delegated to individuals with the appropriate skills. New trustees are recruited and appointed by a majority of existing trustees.

Objects of the charity

The principal objective of the charity is the advancement of the Christian faith. This will be accomplished by launching innovative evangelism and discipleship projects and by providing systematic education, training and resources in and for:

- church planting;
- church growth;
- church leadership; and
- biblical principles relating to church growth and church leadership.

Summary of the charity's main activities and achievements

Novo UK is a band of creative disciple makers who are passionate about activating followers of Jesus who ignite God movements. We work creatively to activate followers of Jesus who ignite God movements primarily in two ways:

1. We introduce people in our communities to Jesus and journey with them as they become disciples that multiply.
2. We help existing followers of Jesus become disciple makers and impact their communities.

In the past year we have invested heavily in online development opportunities, including a seven-month prayer training designed to support followers of Jesus in connecting with their neighbourhoods, various discipleship & evangelism modules, and ongoing, online coaching of local leaders. In addition, many of our teams have continued to partner with local leaders and stakeholders to meet the needs of their communities and share the love of Jesus with non-believers in the process.

All of our teams have supported their local communities of believers in a wide range of capacities, including teaching, preaching, training, coaching, consulting, and various acts of service. Novo UK has also solidified existing partnerships with other, like-minded denominations and charities (CofE, CofS, Baptists, Frontiers, Agape, Ffald-y-Brenin, LHOP, Reign, etc.) through shared projects and is in the process of developing new partnerships with organisations like YWAM and CLM.

The charity has supported ministries operating in Ukraine for a number of years. These ministries are well established and responded immediately when the war broke out in February 2022 . They are very actively engaged in providing humanitarian aid and spiritual support to those affected by the war. The charity launched a special appeal to try to bolster its support for these ministries and substantial additional donations were received, and distributed, before the end of the financial year.

In planning the activities the trustees have had regard to the guidance on public benefit issued by the Charity Commission.

Partnerships

The charity works, at a strategic level, in partnership with a charity with similar objects in the USA ("NOVO USA") and receives grant income from this US charity; these grants are shown separately in note 3 'Donations' to the accounts.

Tax liability

As part of its partnership with NOVO USA, the charity oversees the work done by NOVO USA's mission partners in the United Kingdom. In the previous year the charity took professional advice on the tax status of these individuals and was advised that these mission partners are obliged to pay tax in the United Kingdom. Furthermore, because of the charity's close relationship with NOVO USA, it was very likely that the charity would be held liable for this tax. The charity's tax advisors have advised that the tax due could be up to £525,000. NOVO USA has committed to support the charity financially by reimbursing some of the expense and by providing loans. The charity has currently budgeted for its share of the liability to be 10% of the tax due and, in the previous year, £52,500 was charged to the Statement of Financial Activities. Due to the factors involved, the quantum of the liability is an estimate and is subject to agreement with HM Revenue & Customs. The trustees do not expect the net impact of the eventual outcome to differ significantly from the £52,500 charged in the previous year's SOFA.

Financial review

During the year income increased by £34,287 to £416,010, and expenditure increased by £192 to £400,325. As a result the charity has reported a surplus this year of £15,685 (2021: a deficit of £18,410) and the charity's net assets increased by £15,685 to £87,238. The charity ended the year with cash of £153,655, of which £74,783 was unrestricted.

Reserves policy

The charity largely achieves its charitable objectives by making grants to mission partners and most of the charity's expenditure is funded from restricted income. The charity has budgeted for overheads of £35,000 for the coming year and the trustees are seeking to hold unrestricted cash of no less than 6 month's budgeted overheads (or £17,500), plus £52,500, to help settle the tax liability referred to above i.e. in total £70,000. At the year end the charity held unrestricted cash of £74,783 and the charity is complying with its policy for holding reserves.

Key risks and uncertainties

The charity is exposed to various risks - be they operational, financial or reputational. The trustees review the charity's activities regularly to identify significant risks and, where possible, they take appropriate measures to mitigate those risks. Until the tax liability referred to above is agreed and settled, this issue is considered to represent a significant risk.

Responsibilities of trustees under company law

The trustees are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing these financial statements, the trustees are required to:

1. select suitable accounting policies and apply them consistently;
2. observe the methods and principles in the Charities SORP;
3. make judgements and estimates that are reasonable and prudent;
4. state whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
5. prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that 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 2006. They 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.

Approval

This report, which has been prepared in accordance with the provisions of the Companies Act 2006 relating to small companies, was approved by the trustees and signed on their behalf by:

Mr Andrew Wright

Mr Andrew Wright
Chair of the Board

Date: 14 December 2022

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF

NOVOUK LTD
('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2022 on pages 6 to 13 following, which have been prepared on the basis of the accounting policies set out on pages 8 and 9.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a Fellow of the Association of Charity Independent Examiners, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

As explained in the notes to the accounts, the trustees anticipate that the charity will be asked to settle a tax liability estimated at £525,000. The trustees are confident that NOVO USA will support the charity financially and the trustees are therefore satisfied that the charity is a going concern.

Other than the matter referred to in the above paragraph, I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Ajay Rajani

Ajay Rajani FCIE
Fellow of the Association of Charity Independent Examiners
Stewardship
1 Lamb's Passage
London
EC1Y 8AB

Date: 15 December 2022

NOVOUK LTD

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	29,875	383,845	413,720	381,723
Charitable activities	4	2,290	-	2,290	-
Total income and endowments		32,165	383,845	416,010	381,723
EXPENDITURE ON:					
Charitable activities					
Operating expenses	5	23,314	377,011	400,325	347,633
Taxation	6	-	-	-	52,500
Total expenditure		23,314	377,011	400,325	400,133
Net income/(expenditure)		8,851	6,834	15,685	(18,410)
Transfers between funds	13	587	(587)	-	-
Net movement in funds		9,438	6,247	15,685	(18,410)
Reconciliation of funds:					
Total funds brought forward		(1,072)	72,625	71,553	89,963
Total funds carried forward	13	8,366	78,872	87,238	71,553

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing operations.

The statement of financial activities also complies with the requirements for an income and expenditure account required by the Companies Act 2006.

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

NOVOUK LTD
BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2022

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
CURRENT ASSETS							
Debtors	9						
Operating activities		4,479	-	4,479	2,893	-	2,893
Tax reimbursement		472,500	-	472,500	472,500	-	472,500
		476,979	-	476,979	475,393	-	475,393
Cash at bank and in hand	10	74,783	78,872	153,655	52,792	72,625	125,417
		551,762	78,872	630,634	528,185	72,625	600,810
CREDITORS: Amounts falling due within one year	11	(18,396)	-	(18,396)	(4,257)	-	(4,257)
Net current assets / (liabilities)		533,366	78,872	612,238	523,928	72,625	596,553
Total assets less current liabilities		533,366	78,872	612,238	523,928	72,625	596,553
Provisions for liabilities	12	(525,000)	-	(525,000)	(525,000)	-	(525,000)
TOTAL NET ASSETS		8,366	78,872	87,238	(1,072)	72,625	71,553
FUND BALANCES	13						
Unrestricted Funds		8,366	-	8,366	(1,072)	-	(1,072)
Restricted Funds		-	78,872	78,872	-	72,625	72,625
		8,366	78,872	87,238	(1,072)	72,625	71,553

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2022 in accordance with Section 476 of the Companies Act 2006 however, in accordance with Section 145 of the Charities Act 2011, the accounts have been examined by an independent examiner and their report has been included in these financial statements.

The trustees (who are the charitable company's directors for the purposes of company law) acknowledge their responsibilities for:

(a) ensuring that the charitable company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and

(b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its net income or expenditure for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Trustees and were signed on its behalf by:

Mr Andrew Wright
-- Date: 14 December 2022
Mr Andrew Wright

Company number: 05081532 Charity number: 1115959

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

1 Statutory Information

The charity is a charitable company limited by guarantee and is incorporated in the United Kingdom. The company's registered number and registered office address can be found on the Company Information page.

2 Accounting Policies

These financial statements are prepared on a going concern basis, under the historical cost convention.

These financial statements have been prepared in accordance with the "Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ("the Charities SORP"), with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102"), with the Companies Act 2006 and with the Charities Act 2011. The charity meets the definition of a public benefit entity as set out in FRS 102.

The principles adopted in the preparation of the financial statements are set out below.

a) Going concern

The trustees (who are the charitable company's directors for the purposes of company law) have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and the possible implications should projected income and / or expenditure vary unexpectedly. The trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

As explained in note 6 'Taxation', the trustees note that the charity is likely to have a settle tax liability estimated at £525,000. NOVO USA has agreed to support the charity financially by reimbursing some of the expense and by providing loans and the trustees are therefore satisfied that the charity is a going concern.

b) Income

Income including investment income is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part, income is generally recognised when it is received. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Donated services are recognised as income when receivable at fair value (being an estimate of the amount that the charity would have been willing to pay for similar services). As these donated services are consumed immediately, a matching expense in respect of these services is included in the Statement of Financial Activities.

The charity relies on volunteers, in particular to oversee the general running of the charity. However, in accordance with the SORP, the value of these services has not been included in these financial statements as they cannot be reliably measured.

Income from charitable activities represents income from membership fees receivable from mission workers who receive services from the charity.

c) Expenditure

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

The charity makes grants to other institutions and individuals to further its charitable objectives. Grants payable are recognised as constructive obligations arise, which is generally when the charity expresses a commitment to the recipient that can be measured reliably and then only to the extent that any conditions associated with the grant are outside of the control of the charity.

The charity has a policy where by it capitalises expenditure on tangible fixed assets when expenditure on any one item exceeds £1,000; to date, the charity has not incurred any expenditure that needs to be capitalised.

d) 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. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

e) Taxation

The company is a registered charity; it has taken advantage of the various reliefs from taxation available to charities and no tax is payable on the charity's income.

f) Financial instruments

The charity's financial assets and financial liabilities all qualify as basic financial instruments, as defined by FRS102. Except for loans, creditors and debtors are measured at their expected settlement value (normally the amount of cash that the charity expects to pay or receive). The charity recognises liabilities for the principal of those loans that remains outstanding at the year end.

2 Accounting Policies continued

g) Critical accounting estimates and areas of judgement
The trustees do not consider that there are any material sources of estimation or uncertainty at the balance sheet date that could result in a material adjustment to the carrying values of assets and liabilities in the next reporting period.

3 Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Donations of cash and similar	11,280	294,086	305,366	254,870
Grants received from NOVO USA	18,595	54,759	73,354	76,853
Donated services	-	35,000	35,000	50,000
	29,875	383,845	413,720	381,723

NOVO USA donated the services of two of its mission workers to serve as the charity's national director and as it's operations director . The estimated value of these donated services to the charity is £35,000 (2021: £50,000). A matching expense is included in note 4 'Charitable expenditure'.

4 Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Membership fees	2,290	-	2,290	-
	2,290	-	2,290	-

5 Charitable expenditure

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
a Costs incurred directly on specific activities				
Ministry grants payable (note 5c)	-	297,929	297,929	267,130
Ministry support costs	-	13,425	13,425	5,310
Ministry development costs	-	1,410	1,410	3,370
Staff costs	-	15,669	15,669	-
Donated services expense (see note 3 'Donations and legacies')	-	35,000	35,000	50,000
	-	363,433	363,433	325,810
b Costs incurred on support & administration				
Independent examiner's fee	1,729	1,271	3,000	3,000
Media	210	-	210	355
Professional fees	18,625	8,182	26,807	15,236
Other administrative expenses	2,750	4,125	6,875	3,232
	23,314	13,578	36,892	21,823
Total expenditure	23,314	377,011	400,325	347,633

The fee payable to the independent examiner for preparing and examining the accounts was £3,000 (2021: £3,000); in addition the charity paid £444 (2021: £800) to Stewardship for payroll bureau and consultancy services.

c Grants payable

	Institutions £	Individuals £	2022 £
Grants for UK and overseas mission			
Individuals	-	274,303	274,303
Impact Giving UK Trust	15,000	-	15,000
Ffald-y-Brenin Trust Ltd	8,626	-	8,626
	23,626	274,303	297,929

In the previous year, the charity made the following grants:

	Institutions £	Individuals £	2021 £
Grants for UK and overseas mission			
Individuals	-	267,130	267,130
	-	267,130	267,130

6 Taxation

The charity works closely with NOVO in the USA ('NOVO USA') and oversees the work done by their mission partners in the United Kingdom. In the previous year the charity took professional advice on the tax status of these individuals and was advised that these mission partners are obliged to pay tax in the United Kingdom. Furthermore, because of the charity's close relationship with NOVO USA, it was very likely that the charity would be held liable for this tax. The charity's tax advisors have advised that the tax due could be up to £525,000. NOVO USA has committed to support the charity financially by reimbursing some of the expense and by providing loans. The charity has currently budgeted for its share of the liability to be 10% of the tax due and, in the previous year, £52,500 was charged to the Statement of Financial Activities. Due to the factors involved, the quantum of the liability is an estimate and is subject to agreement with HM Revenue & Customs. The trustees do not expect the net impact of the eventual outcome to differ significantly from the £52,500 charged in the previous year's SOFA.

7 Analysis of staff costs, the cost of key management personnel and trustee remuneration

The average monthly number of employees during the year was 0.5 (2021: none). Most of the charity's activities are carried out by individuals who receive grants from this charity or from other charities and, to a lesser extent, by volunteers.

No staff received salaries at a rate of more than £60,000 per annum.

The charity's key management comprise the trustees (one of whom also serves as national director), the deputy national director and the charity's operations director (who served until September 2021). During the year key management received employment benefits totalling £15,375 (2021: £nil).

No trustees received employment benefits in either the current or preceding year.

8 Acting as agent

From time to time the charity acts as agent for NOVO USA and receives money that it then pays on to known grant recipients. This income, and related payments, are excluded from the Statement of Financial Activities; any money that has not been distributed by the year-end is recognised as a creditor. In its capacity as agent for NOVO USA, during the year the charity received £53,137 (2021: £45,842) and paid over £41,379 (2021: £45,842); at the year end, the charity held £11,758 (2021: £nil) for NOVO USA.

9 Debtors

	2022	2021
	£	£
Operating activities:		
Prepayments and accrued income	4,479	2,893
Reimbursement for tax due from NOVO USA	472,500	472,500
	476,979	475,393

As explained in note 6 'Taxation' and note 11 'Provisions', the charity has been advised that it could have a liability of up to £525,000 in respect of NOVO USA's mission workers in the United Kingdom. NOVO USA has agreed to support the charity financially by reimbursing some of the expense and by providing loans. The charity has currently budgeted for its share of the liability to be 10% of the tax due and £52,500 was charged to the Statement of Financial Activities in the previous year. The remainder of the maximum liability (as advised), which is £472,500, has been included as a debtor for an amount due from NOVO USA.

10 Cash at Bank and in Hand

	2022	2021
	£	£
Cash at bank with immediate access	153,655	125,417

11 Creditors: liabilities falling due within one year

	2022	2021
	£	£
Trade creditors	2,613	297
Funds held as agent for NOVO USA (see note 8 'Acting as agent')	11,758	-
Accruals	4,025	3,960
	18,396	4,257

12 Provisions

	2022 £	2021 £
Taxation		
Provision brought forward	525,000	-
Provision arising in the year	-	525,000
Provision carried forward	525,000	525,000

As explained in note 6 'Taxation', the charity has been advised that it is likely to have a liability for tax in respect of NOVO USA's mission workers in the United Kingdom; this tax liability has been estimated to be £525,000 .

13 Funds

During the year the movements in the charity's funds were as follows:

	Opening balance 2022 £	Incoming resources 2022 £	Outgoing resources 2022 £	Transfers in the year 2022 £	Closing balance 2022 £
Restricted funds					
Mission Partner fund					
Projects in Ukraine	1,727	126,565	(75,079)	-	53,213
Other projects	70,898	222,280	(266,932)	(587)	25,659
Donated services	-	35,000	(35,000)	-	-
	72,625	383,845	(377,011)	(587)	78,872
Unrestricted general funds	(1,072)	32,165	(23,314)	587	8,366
Aggregate of funds	71,553	416,010	(400,325)	-	87,238

In the previous year the movements in the charity's funds were as follows:

	Opening balance 2021 £	Incoming resources 2021 £	Outgoing resources 2021 £	Transfers in the year 2021 £	Closing balance 2021 £
Restricted funds					
Mission Partner fund					
Projects in Ukraine	849	64,559	(59,202)	(4,479)	1,727
Other projects	55,882	247,977	(235,650)	2,688	70,898
Donated Services fund	-	50,000	(50,000)	-	-
	56,731	362,536	(344,852)	(1,791)	72,625
Unrestricted general funds	33,232	19,187	(55,281)	1,791	(1,072)
Aggregate of funds	89,963	381,723	(400,133)	-	71,553

Mission Partner fund is a restricted fund and was created from donations received to support specific mission projects and / or mission workers. Towards the end of the year, in response to the outbreak of war, the charity launched a special appeal to try to increase the charity's support for ministries operating in Ukraine. To help draw attention to the significance of this support, the movements on these Ukrainian funds are shown separately in the above tables.

The **Donated Services** fund is a restricted fund representing the services of two individuals donated by NOVO USA to serve as the charity's national director and as it's operations director (until September 2021).

14 Transactions with related parties

During the year the charity:

a) did not receive any donations (2021: £534) from related parties (which includes trustees, key management and anyone closely connected to them).

b) except for the reimbursement of expense incurred when acting as agent for the charity, no expenses (2021: £nil) were paid to, or for, the trustees.

Except as disclosed in note 7 'Analysis of staff costs', there have been no other transactions with related parties during the year.

15 Events since the year end

In the new financial year the charity anticipates that it will incur professional fees of up to £10,000 in respect of the tax liability referred to in note 6 'Taxation'.

In the new financial year most of the charity's mission workers have become self funding and the charity's income and expenditure in the new financial year will fall significantly. The charity will receive membership fees from these mission workers that will help cover the charity's expenses.

16 Members

Each member of the company commits to contribute if the charity is wound up an amount of £1.

NOVOUK LTD

DETAILED STATEMENT OF FINANCIAL ACTIVITIES WITH COMPARATIVES

FOR THE YEAR ENDED 31 MARCH 2022

	Note	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £
INCOME AND ENDOWMENTS FROM:							
Donations and legacies	3	29,875	383,845	413,720	19,187	362,536	381,723
Charitable activities	4	2,290	-	2,290	-	-	-
Total income and endowments		32,165	383,845	416,010	19,187	362,536	381,723
EXPENDITURE ON:							
Charitable activities:							
Operating expenses	5	23,314	377,011	400,325	2,781	344,852	347,633
Taxation	6	-	-	-	52,500	-	52,500
Total Expenditure		23,314	377,011	400,325	55,281	344,852	400,133
Net income/(expenditure)		8,851	6,834	15,685	(36,094)	17,684	(18,410)
Transfers between funds	13	587	(587)	-	1,791	(1,791)	-
Net movement in funds		9,438	6,247	15,685	(34,304)	15,894	(18,410)
Reconciliation of funds:							
Total funds brought forward		(1,072)	72,625	71,553	33,232	56,731	89,963
Total funds carried forward	13	8,366	78,872	87,238	(1,072)	72,625	71,553

NOVOUK LTD

England & Wales - Charity number 1115959

Accounts

NOVOUK LTD
(formerly Church Resource Ministries)

Report and Accounts

Year ended 31 March 2021

Stewardship
Active generosity

1 Lamb's Passage, London EC1Y 8AB
www.stewardship.org.uk

NOVOUK LTD

COMPANY INFORMATION

FOR THE YEAR ENDED 31 MARCH 2021

Trustees	Mr D Aanderud	
	Ms H Barclay	(resigned 14 July 2020)
	Mr D Prince	
	Ms C Tinkler	(appointed 9 November 2020)
	Mr A Wright (Chair)	
	Ms M Wyard	
Company Secretary	Mr D Aanderud	
Governing Document	Memorandum and Articles of Association dated 23 March 2004 as amended on 14 December 2018	
Company Registration Number	05081532	
Charity Registration Number	1115959	
Registered Office	182 Old Montague Street London E1 5NA	
Independent Examiner	Ajay Rajani FCIE Stewardship 1 Lamb's Passage London EC1Y 8AB	
Bankers	National Westminster Bank Plc Barclays Bank UK Plc	

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NOVOUK LTD

TRUSTEES' ANNUAL REPORT
(INCORPORATING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

The trustees, who are the charity's directors for the purposes of company law, have pleasure in submitting the Report and Accounts for the year.

Structure, Governance and Management
The policy and operating decisions of the charity rest with the trustees who meet regularly to review and direct the activities of the charity. The day to day running of the charity is delegated to individuals with the appropriate skills. New trustees are recruited and appointed by a majority of existing trustees.

Objects of the charity
The principal objective of the charity is the advancement of the Christian faith. This will be accomplished by launching innovative evangelism and discipleship projects and by providing systematic education, training and resources in and for:

- church planting;
- church growth;
- church leadership; and
- biblical principles relating to church growth and church leadership.

Summary of the charity's main activities and achievements
The principal activities of the charity are a) to find creative ways of reaching people with the Gospel who have no Christian background, and b) see churches planted in communities throughout the UK.

The charity's mission partners work among communities with little to no church presence and pioneer new forms of evangelism, disciple making, and church planting. As particular strategies prove successful, they leverage this experience and success to train, mentor, and equip charities, churches, pastors, and lay leaders to develop their own dynamic and culturally relevant church expressions in their communities.

In planning the activities the trustees have had regard to the guidance on public benefit issued by the Charity Commission.

Activities over the past year include:

- 662 Christians trained in effective outreach and discipleship methodologies.

- 123 leaders trained to multiply gospel movements.

- 121 inactive believers mobilised into active mission.

- 19 Discovery Bible Studies (DBS) started or multiplied with 123 participants resulting in 30 new followers of Jesus.

- 91 relationships cultivated between our workers and people walking toward Jesus.

- 52 redemptive initiatives engaged to care for the needs of communities we serve.

- Consultations and trainings generally across a wide spectrum of churches (e.g. Anglican, Baptist, Vineyard, Non-denominational evangelical) and in a variety of UK cities and regions (Glasgow, Edinburgh, Huddersfield, Oxford, London, etc.) including overseas (Germany, USA, Spain, Mexico, Brazil, Hungary, etc.).

Partnerships
The charity works, at a strategic level, in partnership with a charity with similar objects in the USA ("NOVO USA") and receives grant income from this US charity; these grants are shown separately in note 3 'Donations' to the accounts.

Tax liability

As part of its partnership with NOVO USA, the charity oversees the work done by NOVO USA's mission partners in the United Kingdom. During the year the charity took professional advice on the tax status of these individuals and was advised that these mission partners are obliged to pay tax in the United Kingdom. Furthermore, because of the charity's close relationship with NOVO USA, it was very likely that the charity would be held liable for this tax. The charity's tax advisors have advised that the tax due could be up to £525,000. NOVO USA has committed to support the charity financially by reimbursing some of the expense and by providing loans. The charity has currently budgeted for its share of the liability to be 10% of the tax due and £52,500 has been charged to the Statement of Financial Activities. Due to the factors involved, the quantum of the liability is an estimate and is subject to agreement with HM Revenue & Customs. The trustees do not expect the net impact of the eventual outcome to differ significantly from the £52,500 charged in this year's SOFA.

Financial review

During the year income decreased by £3,415 to £381,723, and expenditure decreased by £2,631 to £400,133. As a result the charity reported a deficit this year of £18,410 (2020: £17,626) and the charity's net assets decreased by £18,410 to £71,553 The charity ended the year with cash of £125,417, of which £52,792 was unrestricted.

This year's expenditure includes a charge of £52,500 in respect of the tax liability referred to in the previous section 'Tax liability'. Largely as a result, at the year-end the charity's unrestricted funds are in deficit by £1,072. NOVO USA has undertaken to support the charity financially and therefore, this deficit notwithstanding, the trustees are satisfied that the charity is a going concern.

Reserves policy

The charity largely achieves its charitable objectives by making grants to mission partners and most of the charity's expenditure is funded from restricted income. The charity has budgeted for overheads of £38,000 for the coming year and the trustees are seeking to hold unrestricted cash equal to no less than 6 month's budgeted overheads and no more than 12 month's budgeted overheads so that the charity could continue to operate smoothly should income and / or expenditure vary adversely. At the year end the charity held unrestricted cash of £52,792; the trustees anticipate that the charity's reserves will reduce over the coming year as it addresses the tax issue referred to above.

Key risks and uncertainties

The charity is exposed to various risks - be they operational, financial or reputational. The trustees review the charity's activities regularly to identify significant risks and, where possible, they take appropriate measures to mitigate those risks. Until the tax liability referred to above is agreed and settled, this issue is considered to represent a signifcant risk.

Covid-19

Covid-19 has had a significant effect on the day to day activities of the mission workers supported by the charity, particularly due to restrictions on interpersonal contact. Various events have been cancelled, gatherings postponed, and some workers have had to isolate due to contact with Covid-19 infected people. However, the charity has shifted many training and outreach activities to online platforms and experienced an overall increase in impact and connection with like-minded individuals and organisations. It has also significantly improved its administrative, HR, and operational infrastructure and overall capacity. So far, Covid-19 has not had a significant financial impact however the trustees are continuing to monitor income and expenditure closely.

Responsibilities of trustees under company law

The trustees are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing these financial statements, the trustees are required to:

1. select suitable accounting policies and apply them consistently;
2. observe the methods and principles in the Charities SORP;
3. make judgements and estimates that are reasonable and prudent;
4. state whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
5. prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that 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 2006. They 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.

Approval

This report, which has been prepared in accordance with the provisions of the Companies Act 2006 relating to small companies, was approved by the trustees and signed on their behalf by:

Mr Andrew Wright
Chair of the Board

Date: 23 December 2021

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF

NOVOUK LTD
('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2021 on pages 6 to 13 following, which have been prepared on the basis of the accounting policies set out on pages 8 and 9.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a Fellow of the Association of Charity Independent Examiners, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or

2. the accounts do not accord with those records; or

3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or

4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

As explained in the notes to the accounts, the trustees anticiapte that the charity will be asked to settle a tax liability estimated at £525,000. The trustees are confident that NOVO USA will support the charity financially and the trustees are therefore satisfied that the charity is a going concern.

Other than the matter referred to in the above paragraph, I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Ajay Rajani FCIE
Fellow of the Association of Charity Independent Examiners
Stewardship
1 Lamb's Passage
London
EC1Y 8AB

Date: 23 December 2021

NOVOUK LTD

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Restated Total Funds 2020 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	19,187	362,536	381,723	385,138
Total income and endowments		19,187	362,536	381,723	385,138
EXPENDITURE ON:					
Charitable activities					
Operating expenses	4	2,781	344,852	347,633	402,764
Taxation	5	52,500	-	52,500	-
Total expenditure		55,281	344,852	400,133	402,764
Net income/(expenditure)		(36,094)	17,684	(18,410)	(17,626)
Transfers between funds	12	1,791	(1,791)	-	-
Net movement in funds		(34,304)	15,894	(18,410)	(17,626)
Reconciliation of funds:					
Total funds brought forward		33,232	56,731	89,963	107,589
Total funds carried forward	12	(1,072)	72,625	71,553	89,963

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing operations.

The statement of financial activities also complies with the requirements for an income and expenditure account required by the Companies Act 2006.

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

NOVOUK LTD
BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrestricted Funds General Funds £	Designated Funds £	Restricted Funds £	Total Funds 2021 £	Unrestricted Funds General £	Designated £	Restricted Funds £	Total Funds 2020 £
CURRENT ASSETS									
Debtors	8								
Operating activities		2,893	-	-	2,893	-	-	-	-
Tax reimbursement		472,500	-	-	472,500	-	-	-	-
		475,393	-	-	475,393	-	-	-	-
Cash at bank and in hand	9	52,792	-	72,625	125,417	37,695	-	56,731	94,426
		528,185	-	72,625	600,810	37,695	-	56,731	94,426
CREDITORS: Amounts falling due within one year	10	(4,257)	-	-	(4,257)	4,463	-	-	4,463
Net current assets / (liabilities)		523,928	-	72,625	596,553	33,232	-	56,731	89,963
Total assets less current liabilities		523,928	-	72,625	596,553	33,232	-	56,731	89,963
Provisions for liabilities	11	(525,000)	-	-	(525,000)	-			-
TOTAL NET ASSETS		(1,072)	-	72,625	71,553	33,232	-	56,731	89,963
FUND BALANCES	12								
Unrestricted Funds									
General funds		(1,072)	-	-	(1,072)	33,232	-	-	33,232
Designated funds		-	-	-	-	-	-	-	-
		(1,072)	-	-	(1,072)	33,232	-	-	33,232
Restricted Funds		-	-	72,625	72,625	-	-	56,731	56,731
		(1,072)	-	72,625	71,553	33,232	-	56,731	89,963

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2021 in accordance with Section 476 of the Companies Act 2006 however, in accordance with Section 145 of the Charities Act 2011, the accounts have been examined by an independent examiner and their report has been included in these financial statements.

The trustees (who are the charitable company's directors for the purposes of company law) acknowledge their responsibilities for:

(a) ensuring that the charitable company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and

(b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its net income or expenditure for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Trustees and were signed on its behalf by:

Mr Andrew Wright   Date: 23 December 2021

Company number: 05081532   Charity number 1115959

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

1 Statutory Information

The charity is a charitable company limited by guarantee and is incorporated in the United Kingdom. The company's registered number and registered office address can be found on the Company Information page.

2 Accounting Policies

These financial statements are prepared on a going concern basis, under the historical cost convention.

These financial statements have been prepared in accordance with the "Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ("the Charities SORP"), with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102"), with the Companies Act 2006 and with the Charities Act 2011. The charity meets the definition of a public benefit entity as set out in FRS 102.

The principles adopted in the preparation of the financial statements are set out below.

a) Restatement of the previous year's results

The results of the previous year have been restated so that they included the value of services donated to the charity (see note 3 'Donations and legacies'). The effect of this restatement has been to increase both the income and expenditure reported previously by £50,000. The overall deficit reported for the previous year is unchanged.

b) Going concern

The trustees (who are the charitable company's directors for the purposes of company law) have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and the possible implications should projected income and / or expenditure vary unexpectedly. The trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements. In making this assessment the trustees have considered how COVID-19 might affect the charity's forecasts.

As explained in note 5 'Taxation', the trustees note that the charity is likely to have a settle tax liability estimated at £525,000. NOVO USA has agreed to support the charity financially by reimbursing some of the expense and by providing loans and the trustees are therefore satisfied that the charity is a going concern.

c) Income

Income including investment income is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part, income is generally recognised when it is received. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Donated services are recognised as income when receivable at fair value (being an estimate of the amount that the charity would have been willing to pay for similar services). As these donated services are consumed immediately, a matching expense in respect of these services is included in the Statement of Financial Activities.

The charity relies on volunteers, in particular to oversee the general running of the charity. However, in accordance with the SORP, the value of these services has not been included in these financial statements as they cannot be reliably measured.

d) Expenditure

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

The charity makes grants to other institutions and individuals to further its charitable objectives. Grants payable are recognised as constructive obligations arise, which is generally when the charity expresses a commitment to the recipient that can be measured reliably and then only to the extent that any conditions associated with the grant are outside of the control of the charity.

The charity has a policy where by it capitalises expenditure on tangible fixed assets when expenditure on any one item exceeds £1,000; to date, the charity has not incurred any expenditure that needs to be capitalised.

e) 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. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

f) Taxation

The company is a registered charity; it has taken advantage of the various reliefs from taxation available to charities and no tax is payable on the charity's income.

2 Accounting Policies

g) Financial instruments

The charity's financial assets and financial liabilities all qualify as basic financial instruments, as defined by FRS102. Except for loans, creditors and debtors are measured at their expected settlement value (normally the amount of cash that the charity expects to pay or receive). The charity recognises liabilities for the principal of those loans that remains outstanding at the year end.

h) Critical accounting estimates and areas of judgement

The trustees do not consider that there are any material sources of estimation or uncertainty at the balance sheet date that could result in a material adjustment to the carrying values of assets and liabilities in the next reporting period.

3 Donations and legacies

	Unrestricted Funds	Restricted Funds	Total 2021	Total 2020
	£	£	£	£
Donations of cash and similar	6,634	248,236	254,870	233,094
Grants received from NOVO USA	12,553	64,300	76,853	102,044
Donated services	-	50,000	50,000	50,000
	19,187	362,536	381,723	385,138

NOVO USA donated the services of two of its mission workers to serve as the charity's national director and as it's operations director. The estimated value of these donated services to the charity is £50,000 (2020: £50,000). A matching expense is included in note 4 'Charitable expenditure'.

4 Charitable expenditure

	Unrestricted Funds	Restricted Funds	Total 2021	Total 2020
	£	£	£	£
a Costs incurred directly on specific activities				
Ministry grants payable (note 4c)	-	267,130	267,130	303,316
Ministry support costs	-	5,310	5,310	6,442
Ministry development costs	-	3,370	3,370	18,301
Donated services expense (see note 3 'Donations and legacies')	-	50,000	50,000	50,000
	-	325,810	325,810	378,059
b Costs incurred on support & administration				
Independent examiner's fee	450	2,550	3,000	2,280
Rent	-	-	-	7,816
Media	355	-	355	179
Professional fees	1,524	13,712	15,236	10,112
Other administrative expenses	452	2,780	3,232	4,318
	2,781	19,042	21,823	24,705
Total expenditure	2,781	344,852	347,633	402,764

The fee payable to the independent examiner for preparing and examining the accounts was £3,000 (2020: £1,980); in addition the charity paid £800 (2020: £50) to Stewardship for consultancy services.

c Grants payable

	Institutions	Individuals	2021
	£	£	£
Grants for UK and overseas mission			
Individuals	-	267,130	267,130
	-	267,130	267,130

In the previous year, the charity made the following grants:

	Institutions	Individuals	2020
	£	£	£
Grants for UK and overseas mission			
Novo Mission Inc	35,000	-	35,000
Individuals	-	268,316	268,316
	35,000	268,316	303,316

5 Taxation

The charity works closely with NOVO in the USA ('NOVO USA') and oversees the work done by their mission partners in the United Kingdom. During the year the charity took professional advice on the tax status of these individuals and was advised that these mission partners are obliged to pay tax in the United Kingdom. Furthermore, because of the charity's close relationship with NOVO USA, it was very likely that the charity would be held liable for this tax. The charity's tax advisors have advised that the tax due could be up to £525,000. NOVO USA has committed to support the charity financially by reimbursing some of the expense and by providing loans. The charity has currently budgeted for its share of the liability to be 10% of the tax due and £52,500 has been charged to the Statement of Financial Activities. Due to the factors involved, the quantum of the liability is an estimate and is subject to agreement with HM Revenue & Customs. The trustees do not expect the net impact of the eventual outcome to differ significantly from the £52,500 charged in this year's SOFA.

6 Analysis of staff costs, the cost of key management personnel and trustee remuneration

The charity did not have any employees during the year but has employed one person since the year-end. Most of the charity's activities are carried out by individuals who receive grants from this charity, from other charities and to a lesser extent by volunteers.

No grant recipient received more than £60,000 per annum in either the current year or the preceding year.

The charity's key management comprise the trustees and the charity's operations director. No members of key management received employment benefits, grants or any other payment for services in either the current or preceding year.

7 Acting as agent

On occasion the charity acts as agent for NOVO USA and receives money that it then pays on to known grant recipients. This income, and related payments, are excluded from the Statement of Financial Activities; any money that has not been distributed by the year-end is recognised as a creditor. In its capacity as agent for NOVO USA, during the year the charity both received and paid over £45,842 (2020: £nil); no amounts were owed at the year-end (2020: £nil).

8 Debtors

	2021	2020
	£	£
Operating activities:		
Prepayments and accrued income	2,893	-
Reimbursement for tax due from NOVO USA	472,500	-
	475,393	-

As explained in note 5 'Taxation' and note 10 'Provisions', the charity has been advised that it could have a liability of up to £525,000 in respect of NOVO USA's mission workers in the United Kingdom. NOVO USA has agreed to support the charity financially by reimbursing some of the expense and by providing loans. The charity has currently budgeted for its share of the liability to be 10% of the tax due and £52,500 has been charged to the Statement of Financial Activities. The remainder of the maximum liability (as advised), which is £472,500, has been included as a debtor for an amount due from NOVO USA.

9 Cash at Bank and in Hand

	2021	2020
	£	£
Cash at bank with immediate access	125,417	94,426

10 Creditors: liabilities falling due within one year

	2021	2020
	£	£
Trade creditors	297	2,483
Accruals	3,960	1,980
	4,257	4,463

11 Provisions

	2021 £	2020 £
Taxation		
Provision arising in the year	525,000	-

As explained in note 5 'Taxation', the charity has been advised that it is likely to have a liability for tax in respect of NOVO USA's mission workers in the United Kingdom; this tax liability has been estimated to be £525,000 .

12 Funds

During the year the movements in the charity's funds were as follows:

	Opening balance 2021 £	Incoming resources 2021 £	Outgoing resources 2021 £	Transfers in the year 2021 £	Closing balance 2021 £
Unrestricted Funds					
Designated reserve fund	-	-	-	-	-
Unrestricted general funds	33,232	19,187	(55,281)	1,791	(1,072)
	33,232	19,187	(55,281)	1,791	(1,072)
Restricted funds					
Mission Partner support	56,731	312,536	(294,852)	(1,791)	72,625
Donated services	-	50,000	(50,000)	-	-
	56,731	362,536	(344,852)	(1,791)	72,625
Aggregate of funds	89,963	381,723	(400,133)	-	71,553

During the year the charity made transfers totalling £1,791 from the restricted Mission Partner support fund to unrestricted general funds so as to correct some fund balances within the Mission Partners support fund.

In the previous year the movements in the charity's funds were as follows:

	Opening balance 2020 £	Incoming resources 2020 £	Outgoing resources 2020 £	Transfers in the year 2020 £	Closing balance 2020 £
Unrestricted Funds					
Designated Reserve fund	6,000	-	-	(6,000)	-
Unrestricted general funds	27,981	14,290	(16,210)	7,171	33,232
	33,981	14,290	(16,210)	1,171	33,232
Restricted funds					
Mission Partner fund	73,608	320,848	(336,554)	(1,171)	56,731
Donated Services fund	-	50,000	(50,000)	-	-
	73,608	370,848	(386,554)	(1,171)	56,731
Aggregate of funds	107,589	385,138	(402,764)	-	89,963

The **Designated Reserve** fund is an unrestricted fund and represents monies set aside by the Trustees for as a contingency for unforeseen expenditure.

Mission Partner fund is a restricted fund and was created from donations received to support specific mission projects and / or mission workers.

The **Donated Services** fund is a restricted fund representing the services of two individuals donated by NOVO USA to serve as the charity's national director and as it's operations director.

13 Transactions with related parties

During the year the charity:

a) received donations totalling £534 (2020: £764) from related parties (which includes trustees, key management and anyone closely connected to them).

b) except for the reimbursement of expense incurred when acting as agent for the charity, no expenses (2020: £nil) were paid to, or for, the trustees. During the year one trustee (2020: one) was reimbursed expenses totalling £155 (2020: £624).

Except as disclosed in this note, there were no other transactions with related parties during the year.

14 Events since the year end

In the new finanical year expects to incurr professional fees in the region of £20,000 in respect of the tax liability referred to in note 5 'Taxation'.

15 Members

Each member of the company commits to contribute if the charity is wound up an amount of £1.

NOVOUK LTD

DETAILED STATEMENT OF FINANCIAL ACTIVITIES WITH COMPARATIVES

FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrestricted Funds General Funds 2021 £	Unrestricted Funds Designated Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	General Funds 2020 £	Designated Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £
INCOME AND ENDOWMENTS FROM:									
Donations and legacies	3	19,187	-	362,536	381,723	14,290	-	370,848	385,138
Total income and endowments		19,187	-	362,536	381,723	14,290	-	370,848	385,138
EXPENDITURE ON:									
Charitable activities:									
Operating expenses	4	2,781	-	344,852	347,633	16,210	-	386,554	402,764
Taxation	5	52,500	-	-	52,500	-	-	-	-
Total Expenditure		55,281	-	344,852	400,133	16,210	-	386,554	402,764
Net income/(expenditure)		(36,094)	-	17,684	(18,410)	(1,920)	-	(15,706)	(17,626)
Transfers between funds	12	1,791	-	(1,791)	-	7,171	(6,000)	(1,171)	-
Net movement in funds		(34,304)	-	15,894	(18,410)	5,251	(6,000)	(16,877)	(17,626)
Reconciliation of funds:									
Total funds brought forward		33,232	-	56,731	89,963	27,981	6,000	73,608	107,589
Total funds carried forward	12	(1,072)	-	72,625	71,553	33,232	-	56,731	89,963