

NAVEUROPE

A Charitable Incorporated Organisation

Charity Registered in England & Wales no. 1168983

ANNUAL REPORT AND ACCOUNTS

31 August 2021

NAVEUROPE

ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2021

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present the annual report and financial statements of NavEurope ('the Charity') for the year ended 31 August 2021. The Trustees have adopted the provisions of the Statement of Recommended Practice applicable to charities, preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS102).

OBJECTIVES AND ACTIVITIES

The main objective of the Charity is to advance the Christian religion in Europe and such other areas as the Charity Trustees may from time to time decide for the public benefit through evangelism, teaching, mentoring, training, individual personal development, the publication and distribution of related material and such other charitable means as the Charity Trustees may from time to time decide.

NavEurope is an umbrella organisation for the Navigators in Europe. The Navigators is an international Christian movement seeking to advance the Christian religion worldwide which has a number of affiliated non-profit organisations based in Europe. NavEurope provides support and leadership to the work of Navigator ministries in Europe. NavEurope promotes a mutual exchange of experiences between the various existing Navigator ministries in Europe and seeks to develop ministries in European countries with no national Navigator work. It also maintains links with The Navigators – a non-profit organisation registered in Colorado Springs, Colorado, USA. These objectives are achieved through the provision of financial and human resources to European Navigator ministries to help them as they work with churches and individuals in teaching biblical principles and understanding of the Christian faith.

The main activities undertaken by the Charity are the support of local Navigator initiatives across Europe, the arranging of Navigator conferences, the development of current and emerging Navigator leaders in Europe, and the provision of European student training programmes.

The Trustees have had due regard to the Charity Commission's guidance on public benefit. NavEurope is working for the public benefit by supporting Navigator ministries in Europe as they seek to help people understand the transforming power of the Christian Gospel and to be trained both in greater depth of understanding and in ways of sharing their lives with others so they in turn would have a similar impact. This enables individuals to be more responsible for themselves and better able to serve those around them and the communities in which they live.

ACHIEVEMENTS AND PERFORMANCE

The work of NavEurope has continued to progress well during this year, although it has been heavily impacted by the coronavirus pandemic.

Work has continued toward the formation of a new European Regional Team. It has been six years since such a team has been in place and, following wide consultation, agreement has been reached on the role and membership of this team. Initial meetings were held in Autumn 2021 and the Trustees look forward to working with the new team and the energy and commitment they will bring to NavEurope.

A number of programmes and forums have been set up and continue to provide leadership development for both current and emerging leaders. These are showing good progress and have been well received by those involved. Of particular note has been the Emerging Leaders Programme which has now completed with strong, positive feedback from those participating. A second grouping of Next Gen leaders has now started consisting originally of a two-year programme. Due to Covid the run time for this programme will need to be extended.

The Mobile Alongsiders Group was reconstituted and is now the NavPresence Team. This team will continue to provide mentoring and leadership guidance to those involved in some of the developing country ministries around Europe. There has been constructive input to the national strategies in a number of countries during the year which has been well received and is showing benefit.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2021 (continued)

Several additional ministries have received staffing support from missionaries from outside Europe or given additional support in countries where Navigator ministries are small or non-existent. With the benefit of these actions, the Navigator ministries in Europe are being strengthened and extended.

Notwithstanding the above, due to the global pandemic, work during the year has continued to be significantly affected in a number of ways. Travel within Europe has been almost totally curtailed since the start of the year. Planned conferences and face-to-face meetings of teams and working groups have had to be re-planned and the ability to meet one-to-one, a key part of ministry at a personal level, has been largely impossible.

In response, significant use has been made of on-line meeting solutions, with the content and length of meetings amended to reflect the challenge and impact of using new technologies. Whilst this has allowed much of the work to be ongoing, efficiency, effectiveness, and the encouragement of fellowship at a personal and group level have been impacted and the work affected accordingly.

FINANCIAL REVIEW

The balance sheet shows total net assets of €198,341 (2020: €138,823). There are no funds in deficit in the accounts.

Income

The total income for year was €123,230 (2020: €124,564). Of this, €114,329 (2020: €118,283) was received in gifts and contributions from Navigator organisations in Europe and the USA. Due to the COVID pandemic student training programmes moved online and there was therefore no income from admissions charges (2020: €4,723). In addition, €8,901 (2020: €1,558) of restricted gifts were received for the support of particular leaders or initiatives.

Expenditure

The total of €63,712 (2020: €108,273) was spent on the work of NavEurope, including €22,101 (2020: €39,003) on central support costs. The reduction in expenditure in 2021 was attributable to the impact of COVID on the ability to travel and hold conferences, and we are already seeing a return towards normal spending levels in the autumn and winter of 2021. The impact of the Omicron variant on activity levels going forward cannot at this stage be judged with any certainty.

Reserve Policy

At 31 August 2021 the level of free reserves was €191,533 (2020: €137,743). Reserves are maintained at a level equal to at least six months of operating expenses, with a target value of between six and twelve months of operating expenses (currently €78,937 to €157,874 based on the budget for 2021-22). The current level of free reserves is above the target reserve levels set by the Trustees due to the exceptionally low expenditure in this financial year. Given the uncertainty associated with the pandemic, the Trustees are taking a cautious view on the appropriate level of reserves going forward, but are continuing to make pandemic relief grants available to support Navigator work within Europe to ensure these reserves are meeting any exceptional needs created by the pandemic.

STRUCTURE, GOVERNANCE AND MANAGEMENT**Governing Document**

NavEurope is a charitable incorporated organisation based on a Foundation Constitution.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2021 (continued)

Appointment of Trustees

Each national Navigator organisation within Europe that is registered as a legal entity in its own country and formally recognised by the Board of Trustees of NavEurope is entitled to nominate their Chair or, by agreement with that Chair and in place of that Chair, another member of the Board of that organisation as a Trustee to NavEurope. In addition, the Board of NavEurope may appoint up to six Independent Trustees selected by the existing Trustees of NavEurope. However, the number of Independent Trustees must always be less than the number of Country Chairs on the Board. Each nomination will be considered and, if agreed at a meeting of the Board of NavEurope, the individual nominee will be confirmed as a Trustee of NavEurope.

Key Management Personnel Remuneration

Key management personnel comprise the Trustees and the European Regional Director. All Trustees give of their time freely and no director received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in note 13 to the accounts.

The European Regional Director is currently seconded to this role from the US Navigators; there is no charge to NavEurope for this secondment.

REFERENCE AND ADMINISTRATIVE INFORMATION

Charity Registered in England & Wales No. 1168983

Registered Office	Turner House 54 The Avenue Southampton SO17 1XQ
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Key Management Personnel

Key management personnel comprise the Trustees and the European Regional Director.

Trustees

The Trustees who served during the year and since the year end are:

Independent Trustees

C Appleton (Chair)
P Steenkamp
C Wattez
R Baljeu
C Hordijk
E Yearsley (from 11 April 21)

Country Chairs

F Schlichtenbrede
M Osborn
D Laco
H Conge (until 29 May 21)
N Guerineau (from 29 May 21)
M Halling
TA Giskegjerde (until 29 May 21)
M. Malstrom Iversen (from 29 May 21)
S Brandsma

Independent Examiner

Joshua Kingston, BSc (Hons) ACA
Burton Sweet Limited
The Clock Tower
Farleigh Court
Old Weston Road
Flax Bourton
Bristol
BS48 1UR

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed/constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DECLARATION

The Trustees declare that they have approved the Trustees' report above.

Signed on behalf of the Board of Trustees:

Signature:

Name: C Appleton

Position: Chair of Trustees

Date: 19/03/2022

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF NAVEUROPE

Independent examiner's report to the trustees of NavEurope

I report to the trustees on my examination of the accounts of NavEurope for the year ended 31 August 2021.

Responsibilities and basis of report

As the charity trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the Charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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 accounts to be reached.

Joshua Kingston, BSc (Hons) ACA
Burton Sweet Limited
The Clock Tower
5 Farleigh Court
Old Weston Road
Flax Bourton
Bristol BS48 1UR

Date: 19th March 2022

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2021

(including income and expenditure account)

Prior year comparatives are disclosed in note 14.

		Unrestricted funds	Restricted funds	2021 Total	2020 Total
	Note	€	€	€	€
Income from:					
Donations and legacies	2	114,329	8,901	123,230	119,841
Charitable activities	3	-	-	-	4,723
TOTAL		114,329	8,901	123,230	124,564
Expenditure on:					
Charitable activities	4				
Supporting Navigator initiatives in Europe		39,152	1,521	40,673	65,446
Leadership development		15,550	1,652	17,202	37,645
Student training programmes		-	-	-	5,182
Supporting Navigator initiatives beyond Europe		5,837	-	5,837	-
TOTAL		60,539	3,173	63,712	108,273
Net income/(expenditure) and net movement in funds	7	53,790	5,728	59,518	16,291
RECONCILIATION OF FUNDS					
Total funds brought forward	11	137,743	1,080	138,823	122,532
Total funds carried forward		191,533	6,808	198,341	138,823

The Charity has no other recognised gains or losses other than the results for the year as set out above.
All the activities of the Charity are classed as continuing.

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

BALANCE SHEET AS AT 31 AUGUST 2021

		2021		2020	
	Note	€	€	€	€
CURRENT ASSETS					
Prepayments and debtors	9	994		1,733	
Cash in bank and in hand		<u>199,931</u>		<u>138,591</u>	
		200,925		140,324	
CURRENT LIABILITIES					
Creditors: amounts falling due within one year	10	<u>(2,584)</u>		<u>(1,501)</u>	
		(2,584)		(1,501)	
NET CURRENT ASSETS			198,341		138,823
TOTAL NET ASSETS			<u>198,341</u>		<u>138,823</u>
STATEMENT OF FUNDS	11				
Unrestricted funds			191,533		137,743
Restricted funds			6,808		1,080
TOTAL FUNDS			<u>198,341</u>		<u>138,823</u>

Approved by the Trustees on 19th March 2022 and signed on their behalf by:

..... C Appleton
Chair of Trustees

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

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2021**1 ACCOUNTING POLICIES**

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

a. Basis of accounting

- The Charity is a public benefit entity. The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.
- The accounts are prepared in euros as the Charity operates predominantly in this currency.
- The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern, despite the significant uncertainty being caused by the worldwide Covid-19 pandemic. Whilst there were considerable restrictions on the charity's operations throughout the year, there was a gradual increase in activity in autumn and donations to support the work of the Navigators have broadly remained stable allowing the charity to increase its reserves and place it in a strong position to support the recovery of Navigator work in Europe.

b. Fund accounting

- Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the Charity. Unrestricted designated funds are unrestricted funds set aside by the trustees for particular purposes.
- Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

c. Income

All income is included in the Statement of Financial Activities when the Charity is entitled to it and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Income from donations and legacies is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable, including the related tax recoverable under the Gift Aid scheme.
- Donated assets, services and facilities are included at the value to the Charity where this can be quantified. The value of services provided by volunteers has not been included in these financial statements.
- Income from investments is included when receivable.

d. Expenditure

Expenditure is recognised on an accrual basis, as a liability is incurred. Expenditure includes VAT, which cannot be recovered and is reported as part of the expenditure to which it relates.

- Expenditure related to raising funds comprises the costs associated with attracting voluntary income.
- Expenditure related to charitable activities comprises those costs incurred by the Charity in the delivery of its activities. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs are included within central support costs.
- Central support costs are allocated to the different charitable activities on the basis of estimated time spent by the support staff. These estimates are reviewed annually.

e. Debtors

- Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

f. Cash at bank and in hand

- Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

g. Creditors and provisions

- Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2021 (continued)

2 INCOME FROM DONATIONS AND LEGACIES

	2021			2020		
	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	€	€	€	€	€	€
Donations	114,329	8,901	123,230	118,283	1,558	119,841
	<u>114,329</u>	<u>8,901</u>	<u>123,230</u>	<u>118,283</u>	<u>1,558</u>	<u>119,841</u>

3 INCOME FROM CHARITABLE ACTIVITIES

	2021			2020		
	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	€	€	€	€	€	€
Student training programmes	-	-	-	4,723	-	4,723
	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,723</u>	<u>-</u>	<u>4,723</u>

4 EXPENDITURE ON CHARITABLE ACTIVITIES

	2021			2020		
	Direct costs	Central support costs	Total	Direct costs	Central support costs	Total
	€	€	€	€	€	€
Supporting Navigator initiatives in Europe	29,622	11,051	40,673	46,145	19,301	65,446
Leadership development	6,152	11,050	17,202	18,344	19,301	37,645
Student training programmes	-	-	-	4,781	401	5,182
Supporting Navigator initiatives beyond Europe	5,837	-	5,837	-	-	-
	<u>41,611</u>	<u>22,101</u>	<u>63,712</u>	<u>69,270</u>	<u>39,003</u>	<u>108,273</u>

Central support costs are analysed in note 5.

Central support costs were divided on the basis of support staff time, with the split between charitable activities for each member of staff reflecting the particular activities they are involved with.

5 CENTRAL SUPPORT COSTS

	2021	2020
	€	€
Costs relating to seconded staff	7,748	10,735
Costs relating to provision of support services	9,695	10,557
Rent of premises	5,240	5,244
Administration, communications and other charity running costs	1	77
Governance	1,578	5,904
Other (analysed in note 6)	(2,161)	6,486
	<u>22,101</u>	<u>39,003</u>

6 OTHER CENTRAL SUPPORT COSTS

	2021	2020
	€	€
Exchange rate adjustments related to funds held in US dollars	(1,972)	6,589
Exchange rate adjustments related to funds held in sterling	(189)	(103)
	<u>(2,161)</u>	<u>6,486</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2021 (continued)

7 NET INCOME BEFORE TRANSFERS

This is stated after charging:

	<u>2021</u>	<u>2020</u>
	€	€
Independent examiner's remuneration	1,365	1,400

8 STAFF COSTS AND NUMBERS

The charity had no employees; therefore no employee received more than £60,000 (or euro equivalent) in the year.
Employment benefits received by key management personnel - €nil (2020: €nil).

9 PREPAYMENTS AND DEBTORS

	<u>2021</u>	<u>2020</u>
	€	€
Prepayments re costs of charitable activities	994	1,733
	<u>994</u>	<u>1,733</u>

10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>2021</u>	<u>2020</u>
	€	€
Creditors/accruals re cost of charitable activities:		
Other creditors	1,219	101
Accruals	1,365	1,400
	<u>2,584</u>	<u>1,501</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2021 (continued)

11 MOVEMENT IN FUNDS

Prior year comparatives are disclosed in note 15.

Note	At 1 Sept 2020 €	Income and gains €	Expenditure and losses €	At 31 Aug 2021 €
UNRESTRICTED FUNDS				
General Reserve	137,743	114,329	(60,539)	191,533
	<u>137,743</u>	<u>114,329</u>	<u>(60,539)</u>	<u>191,533</u>
RESTRICTED FUNDS				
Leadership support fund (i)	-	5,890	(1,652)	4,238
Inner Frontiers support fund (ii)	1,080	1,245	-	2,325
Pandemic Relief fund (iii)	-	1,521	(1,521)	-
Retirement Gifts (iv)	-	245	-	245
	<u>1,080</u>	<u>8,901</u>	<u>(3,173)</u>	<u>6,808</u>
TOTAL FUNDS	<u><u>138,823</u></u>	<u><u>123,230</u></u>	<u><u>(63,712)</u></u>	<u><u>198,341</u></u>

- (i) **Leadership support fund** holds restricted gifts given for the support of named leaders or emerging leaders within the Navigators in Europe.
- (ii) **Inner Frontiers support fund** holds restricted gifts given for the support of specific Inner Frontiers initiatives within Europe.
- (iii) **Pandemic Relief Fund** holds restricted gifts given for the support of Navigator workers negatively impacted by the COVID pandemic.
- (iv) **Retirement Gifts** represents gifts given by colleagues in the MPD team to support a specific representative with the transition to retirement.

12 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds €	Restricted funds €	2021 Total €
Net current assets	191,533	6,808	198,341
Total net assets at 31 August 2021	<u><u>191,533</u></u>	<u><u>6,808</u></u>	<u><u>198,341</u></u>

At 31 August 2020, total net assets were €138,823, of which €137,743 were net current assets held in unrestricted funds and €1,080 were net current assets held in restricted funds.

13 TRUSTEE TRANSACTIONS

None of the trustees received any remuneration in the year (2020 €nil).

Travel expenses of €274 (2020: €1,420) were reimbursed to one (2020: four) trustee and other expenses of €88 (2020: €1,319) were reimbursed to one (2020: two) trustees.

No donations were received from trustees, key management personnel and other related parties (2020: €5,483). There were no other related party transactions during the year.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2021 (continued)

14 PRIOR YEAR FUND COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds €	Restricted funds €	2020 Total €
Income from:			
Donations and legacies	118,283	1,558	119,841
Charitable activities	4,723	-	4,723
TOTAL	123,006	1,558	124,564
Expenditure on:			
Charitable activities			
Supporting Navigator initiatives in Europe	62,116	3,330	65,446
Leadership development	34,332	3,313	37,645
Student training programmes	5,182	-	5,182
TOTAL	101,630	6,643	108,273
Net income/(expenditure) and net movement in funds	21,376	(5,085)	16,291
RECONCILIATION OF FUNDS			
Total funds brought forward	116,367	6,165	122,532
Total funds carried forward	137,743	1,080	138,823

15 PRIOR YEAR COMPARATIVES FOR THE MOVEMENT IN FUNDS

	Note	At 1 Sept 2019 €	Income and gains €	Expenditure and losses €	At 31 Aug 2020 €
UNRESTRICTED FUNDS					
General Reserve		116,367	123,006	(101,630)	137,743
		<u>116,367</u>	<u>123,006</u>	<u>(101,630)</u>	<u>137,743</u>
RESTRICTED FUNDS					
Leadership support fund	(i)	1,755	1,558	(3,313)	-
Inner Frontiers support fund	(ii)	4,410	-	(3,330)	1,080
		<u>6,165</u>	<u>1,558</u>	<u>(6,643)</u>	<u>1,080</u>
TOTAL FUNDS		<u>122,532</u>	<u>124,564</u>	<u>(108,273)</u>	<u>138,823</u>

(i) **Leadership support fund** holds restricted gifts given for the support of named leaders or emerging leaders within the Navigators in Europe.

(ii) **Inner Frontiers support fund** holds restricted gifts given for the support of specific Inner Frontiers initiatives within Europe.