

Verité Sport
(A company limited by guarantee)

**Report and Financial Statements
For the Year Ended 31 December 2011**

**Charity number 1117093
Company number 5947088**

Verité Sport

(A company limited by guarantee)

Financial Statements**For the Year Ended 31 December 2011**

Contents	Page
Reference and Administrative Information	3
Report of the Management Committee	4-9
Statement of Financial Activities	10
Balance Sheet	11
Notes forming part of the financial statements	12-15
Independent Examiner's Report to the Trustees of Verité Sport	16

The Management Committee presents its report and financial statements for the year ended 31 December 2011.

Structure, Governance and Management

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 26th September 2006 and registered as a charity on 30 November 2006. Verité Sport started its activities on 18th December 2006. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £10.

Recruitment and Appointment of Trustees

The directors of the company are also charity trustees for the purposes of charity law. Under the requirements of the Memorandum and Articles of Association the trustees are elected to serve until he/she retires or is removed in accordance with the relevant provisions of the articles.

Rev B Gillingham and Mr C Powell were appointed under the articles.

Ms R Avery and Mr D Smith were appointed at the first meeting of the Board of Trustees on 2nd October 2007.

Mr D Smith resigned as a trustee on 24th February 2011.

Each trustee is selected on the basis of his/her skills ensuring the trustees bring diverse and relevant skills. In the event of particular skills being lost due to retirements and/or annually, the trustees identify areas where new skills are needed.

Trustee induction and training

All new trustees are given a copy of the obligations of trustees, and the main documents which set out the operational framework for the charity including the Memorandum and Articles, the budget and a summary of the work of the charity.

Most trustees are already familiar with the practical work of the charity through induction with the Chief Executive.

Risk Management

The trustees have reviewed the major risks to which the charity is exposed. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. The trustees undertook a comprehensive review of the main risks and have assured themselves that there are procedures and insurances in place to mitigate these risks.

Organisational Structure

Verité Sport has a Board of trustees who meet at least once a year and are responsible for the strategic direction and policy of the charity. At the year end there were three members from a variety of professional backgrounds relevant to the work of the charity. The Secretary also sits on the Management Committee but has no voting rights. A scheme of delegation is in place and day to day responsibility for the provision of the services rest with the Chief Executive.

Related Parties

Mr Chris Powell is a board member of Verité Sport and he and his wife are directors of Verité CM Limited and Challenge Newline Limited, which are both publishing companies. During the year there were transactions between Verité Sport and Verité CM Limited and Challenge Newline Limited. These are explained in detail in note 7 to the accounts.

Objectives and Activities

The company's objects and principal activities are

- To promote a Christian presence in sport;
- To encourage sports people to believe in God;
- To apply the teachings of the Bible to sport; and
- To produce resources to enable Christians to share the gospel in the world of sport.

This is done principally in three ways:

- Producing resources, which apply Bible teaching to the world of sport;
- Promoting and developing Christian sports ministry around the world; and
- Supporting Christians in professional sport pastorally and spiritually.

Achievements and Performance

The company's aims were fulfilled in many ways during 2011. The charity plans to continue the activities outlined above in the forthcoming years subject to satisfactory funding arrangements. The trustees have considered their duty under section 4 of the Charities Act 2006 and are satisfied that these activities further its charitable purposes for the public benefit. Some of the 2011 highlights and plans for 2012 are given below:

Togo

Togo is a small French speaking country in West Africa. Verité Sport partners with Aimé who runs the Centre de Formation de Football Féminin for girls. Aimé is a football coach, life coach, pastor and sometimes surrogate father to the girls. In January 2011 Stuart visited Togo and was able to grant some kit - 17 pairs of boots and 11 balls – donated by supporters of Verité Sport.

Stuart helped to facilitate the coach and two of the girls to be part of a Togo selection which played in a tournament in Germany in June 2011, giving the girls their first ever trip out of Africa.

There were also three separate meetings with people from the Togo FA as well as the President of the Togo Olympic Association. Stuart will visit Togo again in 2012.

24 hours in Nigeria – after a 10 hour bus journey – enabled him to spend a day with Peter, leader of Ambassadors in Sport in Nigeria. He was able to give Peter 15 England shirts - generously given by the FA - and 5 footballs.

The visit finished in Benin where Stuart spoke at three seminars for church leaders in Cotonou, Porto Novo and Pobe. His sessions on “Bible and Sport” and “Church and Sport” were attended by 56 church leaders. Verite Sport also provided churches with 5 footballs.

Ukraine

Former Soviet Republic, Ukraine has been independent since 1991. Ukraine is a co-host of the 2012 European Football championship. When Stuart visited Ukraine in 2009, he was impressed with the amount of football ministry taking place but also noted that none of the coaches were qualified. Verité Sport partnered with Ambassadors in Sport (UK) Standard (Ukraine) and Bolton Wanderers to offer an FA Level 1 coaching course to 20 Ukrainians in October 2010 to equip them for the ministry they are involved in. The course was run with the permission of the (English) Football Association and the Football Federation of Ukraine.

In 2011 the two best graduates from the Level 1 course came to England to take the level 2 coaching course. One has successfully completed the course and the other still has to complete his assessment. The aim was not to change what these Ukrainians do in their churches but to equip them for the work they are doing by giving them additional skills and training.

Stuart was in Ukraine for a week in late September 2011. He spoke at a church service, a football conference, a seminar on sports ministry as well as a host of one-to-ones. The programme was put together by Zhenya Dontsov of Standard, a partner of Verite Sport.

Stuart visited Stefan to see a church football project. After football practice Stuart spoke to the boys. Stuart also met Sergei, the leader of the ministry to Euro 2012.

Finally there was a visit to the Football Federation of Ukraine where Stuart and Zhenya were received by Olekandr Bandurko, First vice-president.

Standard has published two of Stuart’s books, one in Russian and one in Ukrainian. There are plans for another book publication in 2012. Stuart will visit Ukraine again in 2012.

Pakistan

In 2011, Verité Sport sponsored a cricket tournament in Lahore, designed to promote harmony between Christians and Muslims. We will also sponsor the 2012 tournament.

This is part of an ongoing partnership which has already resulted in the publication in Urdu of *Born to Play, What the book says about sport* and the 2007 Cricket World Cup booklet.

Resources

As co-chair of the More than Gold Sports Resources Group, Stuart has co-ordinated the process of producing about 50 different Christian resources for use around the London Olympics. Stuart has contributed to resources produced by Athletes in Action, Authentic Media, Bible Reading Fellowship, Bible Society, Hodder, Salvation Army and Scripture Union.

Verité Sport in partnership with Verité CM Limited is the recognised market leader in Christian major event pocket guides. In 2011 we produced booklets for the Africa Cup of Nations (football) in Angola (January 2011) and for the 2011 Winter Olympics in Vancouver. In 2012 we are producing booklets for the Olympics, Paralympics and the European Football Championships.

Chaplaincy

Stuart serves as secretary of the International Sports Coalition, Major Event Chaplaincy Commission. Its job is to select chaplains who are proposed to organising committees of major sports events. 2011 was effectively the first year of operation during which the commission proposed a list of chaplains for the Vancouver Winter Olympics.

Stuart has been in regular contact with the head of Religious Services at the London Olympic Organizing Committee (LOCOG), facilitating the appointment of 20 international Olympic and 6 international Paralympics chaplains.

Stuart supports a number of Christians in high level sport. As well as events in the UK, in 2011 Stuart was at World Athletics Championships in Deagu, Korea where he was able to pray with 15 different athletes and offer other support.

Equipment

In 2011 through the generosity of the Football Association we have been able to supply football kit to partners in Niger, Togo, Nigeria, Ukraine and Benin.

Weekly emails

For six years Stuart has been distributing a weekly sports devotional email to 500+ people around the world. As well as through email, in English and French, the material is available on the Verité Sport website and as a podcast. Some devotionals have been translated into Russian for publication later.

One offs

- Benin: In a 4 day visit Stuart spoke at three Pastors' seminars and preached in two churches.
- Nepal – We supplied books to Fragrance Sports Library, in Kathmandu.
- India - We were able to send 35 copies of "What the Bible says about sport", to India, which were distributed to students from India, Bangladesh, Nepal, Bhutan and Sri Lanka, who were undertaking a sports ministry training course.
- University of Gloucester - Stuart spoke on "Theology of Sport; a historical review" at a Think Tank at the University of Gloucester in May.

Financial Review

Despite the current economic climate, the charity, thanks to its supporters, achieved income of £30,955 (2010: £45,376) leaving reserves of £4,518 (2010: £10,790). The principal funding sources for the charity were donations from trusts and supporters for which we are very grateful.

Investment Policy

Aside from retaining a prudent amount in reserves each year most of the charity's funds are to be spent in the short term so there are few funds for long term investment. Having considered the options available, the Management Committee has decided to invest the small amount that it has available in an interest-bearing bank deposit account.

Reserves Policy

The Management Committee reviewed the reserves policy in light of the main risks to the organisation. The policy is such that unrestricted funds, not committed or invested in tangible fixed assets, held by the charity should be 3 months of non-grant expenditure. The committee agreed that this policy was still appropriate and agreed to review the policy again next year.

The reserves are needed to meet the working capital requirements of the charity and the Management Committee is confident that at this level they would be able to continue the current activities of the charity in the event of a significant drop in funding. The general reserves at 31 December 2011 were £4,518. There is also a sum of £2,000 in deferred income which can be released in 2012. These together were less than the reserves target for 2011 of £8,300.

Based on budgeted expenditure for 2012 the target for general funds is £6,500. The trustees will aim to meet this target level reserves budgeted for 31st December 2012 but recognise that the global recession is affecting people's ability to give and may need to maintain reserves at its current level. The Management Committee has considered the extent to which existing activities and expenditure could be curtailed, should such circumstances arise.

Responsibilities of the Management Committee

Company law requires the Management Committee 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 those financial statements, the Management Committee should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue on that basis.

The Management Committee is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. The Management Committee is 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.

Members of the Management Committee

Members of the Management Committee, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 3.

In accordance with company law, as the company's directors, we certify that:

- so far as we are aware, there is no relevant audit information of which the company's independent examiner is unaware; and
- as the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's independent examiner is aware of that information.

Auditors

There is no requirement to appoint auditors under section 43(2) of the Charities Act 1993 but as a matter of good practice, the trustees have agreed to request an independent examination of the accounts. This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005) and in accordance with section 396 of the Companies Act 2006 relating to small entities.

Approved by the Management Committee on *13 September* 2012 and signed on its behalf by:



Rev J B Gillingham (Chairman)

Verité Sport
Statement of Financial Activities (including Income & Expenditure Account) for
the year ended 31 December 2011

	Notes	2011 Unrestricted Funds £	2011 Restricted Funds £	2011 Total Funds £	2010 Total Funds £
Incoming resources:					
Incoming resources from					
Generated funds:					
Voluntary income	1,2	25,114	640	25,754	39,986
Investment income		1	–	1	3
Miscellaneous income		136	–	136	568
Incoming resources from					
Charitable activities	1,3	5,064	–	5,064	4,819
Total incoming resources		30,315	640	30,955	45,376
Resources expended					
Charitable activities	4	36,573	640	37,213	48,704
Governance costs	4	14	–	14	15
Total resources expended		36,587	640	37,227	48,719
Net movement in funds	12	(6,272)	–	(6,272)	(3,343)
Reconciliation of funds					
Total funds at 31 December	11	4,518	–	4,518	10,790
2011					
Total funds at 31 December	11	10,790	–	10,790	14,133
2010					

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

There were no restricted funds outstanding in the year.

Verité Sport
Balance Sheet as at 31 December 2011

	Notes	2011 Unrestricted and Total Funds £	2010 Unrestricted and Total Funds £
Current Assets			
Debtors	9	1,935	1,999
Cash at bank and in hand		6,201	10,572
Creditors: amounts falling due within one year	10	(3,618)	(1,781)
Net Current Assets		<u>4,518</u>	<u>10,790</u>
Net Assets	11	<u>4,518</u>	<u>10,790</u>
Unrestricted funds			
General funds		4,518	10,790
Total Funds	12	<u>4,518</u>	<u>10,790</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

For the year ended 31 December 2011, the company was entitled to exemption under 477 of the Companies Act 2006 relating to small companies.

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Approved by the Management Committee on *13th September* 2012 and signed on its behalf by:



R D Avery FCA (Treasurer)

Notes forming part of the Financial Statements for the year ended 31 December 2011

1. Accounting Policies

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

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of fixed asset investments at market value, and in accordance with the Companies Act 2006 and the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005) (SORP).

(b) Fund accounting

- Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.
- Designated funds are unrestricted funds earmarked by the Management Committee for particular purposes.
- Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

(c) Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Donated 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 accounts.
- Investment income is included when receivable.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

(d) Resources expended

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

- Costs of generating funds comprise the costs associated with attracting voluntary income.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. 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 include those costs associated with meeting the constitutional and statutory requirements of the charity and include the costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the Statement of Financial Activities (SoFA) either directly, or are apportioned on an appropriate basis and these are set out in Note 4.

2. Donations

	2011 Unrestricted Funds £	2011 Restricted Funds £	2011 Total Funds £	2010 Total Funds £
Trusts	4,250	–	4,250	19,004
Corporates	3,500	–	3,500	–
Churches	9,800	–	9,800	8,900
Individual Donations	7,564	640	8,204	12,082
Total donations	25,114	640	27,754	39,986

3. Incoming Resources from Activities to further the Charity's Objects

Incoming resources from charitable activities comprises fees received for writing literature or articles which fulfil the objectives of the charity.

4. Total Resources Expended

Basis of allocation

Direct costs have been attributed to the relevant activity. Direct staff costs and non-direct costs have been split on the basis of staff time spent on each of the activities.

	Supporting professional sports people £	Promoting international sports ministry £	Producing resources £	2011 Total Funds £	2010 Total Funds £
Costs directly allocated to activities	10	5,791	–	5,801	13,284
Staff costs Direct	7,564	7,663	7,564	22,791	22,531
Travel Direct	1,361	3,557	681	5,599	9,479
Support costs allocated to activities	919	1,384	719	3,022	3,410
Governance	5	5	4	14	15
Total resources expended	9,859	18,400	8,968	37,227	48,719

5. Net Incoming Resources for the Year

There were no audit or depreciation charges (2010: nil).

6. Staff Costs and Numbers

Staff costs were as follows:

	2011	2010
	£	£
Salaries and wages	16,605	16,343
Social security costs	1,286	1,388
Pension costs	4,800	4,800
Staff training	100	—
Total staff costs	<u>22,791</u>	<u>22,531</u>

No employee received emoluments of more than £60,000 (2010: nil)

The average number of employees during the year, calculated on the basis of full time equivalents, was as follows:

	2011	2010
	£	£
Chief Executive	1	1

The charity does not operate any pension scheme for its employees but does make contributions to a Norwich Union personal pension scheme for its sole staff member. The charity made contributions to this scheme amounting to £4,800 (2010: £4,800).

7. Trustee Remuneration & Related Party Transactions

No members of the Management Committee received any remuneration during the year. Travel costs and expenses amounting to £nil (2010: £nil).

Mr Chris Powell is a board member of Verité Sport. Verité Sport received £600 (2010: £1,250) from Challenge Newline Limited, and £500 (2010: £nil) from Verité CM Limited for writing for their publications. Both companies are owned by Chris Powell and his wife. In addition, Verité Sport paid £68 (2010: £112) to Verité CM Limited for providing printing services and £nil (2010: £872) for books for resale. The trustees are satisfied that this arrangement was of benefit to Verité Sport.

No other trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year.

8. Taxation

As a charity, Verité Sport is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

9. Debtors

	2011 £	2010 £
Other debtors and prepayments	1,935	1,999

10. Creditors: Amounts Falling Due within One Year

	2011 £	2010 £
Deferred income	2,000	0
Other creditors and accruals	1,618	1,781
Creditors falling due within one year	3,618	1,781

11. Analysis of Net Assets between Funds

	2011 Unrestricted and Total Funds £	2010 Unrestricted and Total Funds £
Current assets	8,136	12,571
Current liabilities	(3,618)	(1,781)
Net assets	4,518	10,790

12. Movements in Funds

	At 1 Jan 2011 £	Incoming Resources £	Outgoing Resources £	At 31 Dec 2011 £
General funds				
Unrestricted funds	10,790	30,315	(36,587)	4,518
Restricted funds	—	640	(640)	—
Total funds	10,790	30,955	(37,227)	4,518

Purposes of Restricted Funds

The restricted funds were for footballs and boots for Togo. They were fully spent in 2011 and 2010.

Independent Examiner's Report to the Trustees of Verité Sport

I report on the accounts of the charity for the year ended 31st December 2011, which are set out on pages 11 to 16.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

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

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities;have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed:



Date:

14/9/12

T G Croft, BSc, ACA, 8 Churchill Way, Long Hanborough, OX29 8JH

Verité Sport – accounts for year ended 31 December 2011

17