

Registration number NI 33513

**Abaana Ministries
Company limited by guarantee**

Directors' report and audited financial statements

for the year ended 31 January 2007

**Prior McMahon
Chartered Accountants & Registered Auditor
104 - 108 Frances Street
Newtownards
County Down
BT23 7DY**

Abaana Ministries
Company limited by guarantee

Company information

Directors Pastor Gary Beattie - Chairman
 Mrs Sally Baxter

Secretary Mr Scott Baxter

Company number NI 33513

Charity number XR 23866

Registered office 78 High Street
 Bangor
 County Down
 BT20 5AZ

Auditors Prior McMahon
 104 - 108 Frances Street
 Newtownards
 County Down
 BT23 7DY

Postal address PO Box 999
 Bangor
 County Down
 BT19 6YU

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Abaana Ministries
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Directors' report
for the year ended 31 January 2007

The directors present their report and the audited accounts for the year ended 31 January 2007.

Incorporation

The company was incorporated on 20 January 1998 as Abaana Ministries.

Principal activity

The principal activity of the company is a charity set up to help children in Africa. We aim to support children in three main areas :

1. Education - including child sponsorship and building schools. To date we have built four schools in Uganda and sponsor over 800 children.
2. Medical Projects - we aim to provide medical help through building medical structures and supporting already running medical facilities by providing equipment, drugs, mosquito nets and financial support for awareness programs.
3. Water projects - Over 1,000,000,000 children still do not have access to the "basic" amenities, like water, sanitation or a bed on which to sleep. We aim to help by providing water wells and pumps throughout Africa.

On top of these three main areas we are also involved with street children's work, and other aid projects. Each year we take several teams to Africa.

In the next year we plan to build several more schools, water projects as well as starting a street children rehabilitation home and expand our working with children at risk in the north of Uganda.

Directors

The directors who served during the year are as stated below:

Pastor Gary Beattie - Chairman
Mrs Sally Baxter

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the surplus or deficit of the company for that year. In preparing these the directors are required to:

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

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Directors' report
for the year ended 31 January 2007

..... continued

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies (Northern Ireland) Order 1986. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

Prior McMahon were appointed auditors to the company and in accordance with Article 392 of the Companies (Northern Ireland) Order 1986, a resolution proposing their reappointment will be put to the Annual General Meeting.

This report is prepared in accordance with the special provisions of part VIII of the Companies (Northern Ireland) Order 1986 relating to small and medium sized companies.

This report was approved by the Board on 1 June 07 and signed on its behalf by

SCOTT BAXTER

Mr Scott Baxter
Secretary

Abaana Ministries
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Independent auditor's report to the members of
Abaana Ministries

We have audited the financial statements of Abaana Ministries for the year ended 31 January 2007 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared in accordance with the Financial Reporting Standards for Smaller Entities (effective January 2005), under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Article 243 of the Companies (Northern Ireland) Order 1986. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies (Northern Ireland) Order 1986. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the charity is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Abaana Ministries
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Independent auditors' report to the members of Abaana Ministries continued

Opinion

In our opinion the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 January 2007 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies (Northern Ireland) Order 1986.

Prior McMahan

1 June 07

Prior McMahan
Chartered Accountants & Registered Auditor
104 - 108 Frances Street
Newtownards
County Down
BT23 7DY

Date

Abaana Ministries
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Statement of Financial Activities
(incorporating the Income and Expenditure account)
for the year ended 31 January 2007

Notes	2007 Restricted £	2007 Unrestricted £	2007 Total £	2006 Total £
Incoming resources from generated funds:				
<i>Voluntary income:</i>				
Donations, appeals and collections	2	198,466	233,414	431,880 280,656
<i>Activities for generating funds:</i>				
Shop income	-	9,222	9,222	-
Investment income - bank interest	-	1,041	1,041	455
Total incoming resources	198,466	243,677	442,143	281,111
Resources expended:				
<i>Charitable activities - projects</i>				
Child Sponsorship	3	108,129	9,350	117,479 68,892
Educational	3	3,183	76,887	80,070 38,706
Africa Teams	3	42,448	9,157	51,605 37,577
Children at Risk	3	18,944	15,092	34,036 12,614
Development	3	13,200	2,206	15,406 17,800
Medical	3	120	3,080	3,200 29,785
Other projects	3	-	48,023	48,023 16,575
		186,024	163,795	349,819 221,949
<i>Cost of generating funds:</i>				
Shop running costs	4	-	12,226	12,226 -
Fundraising expenditure	4	-	16,066	16,066 7,068
		-	28,292	28,292 7,068
<i>Governance costs</i>	5	-	12,475	12,475 25,901
Total resources expended		186,024	204,562	390,586 254,918
Net incoming resources		12,442	39,115	51,557 26,193
Retained funds brought forward		18,360	29,580	47,940 21,747
Retained funds carried forward		30,802	68,695	99,497 47,940

There are no recognised gains or losses other than the surplus or deficit for the above two financial years.

The notes on pages 7 to 14 form an integral part of these financial statements.

Abaana Ministries
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Balance sheet
as at 31 January 2007

	Notes	2007		2006	
		£	£	£	£
Fixed assets					
Tangible assets	7		205,488		5,556
Current assets					
Cash at bank and in hand		66,059		45,762	
		<u>66,059</u>		<u>45,762</u>	
Creditors: amounts falling due within one year	8	(18,953)		(3,378)	
Net current assets			<u>47,106</u>		<u>42,384</u>
Total assets less current liabilities			252,594		47,940
Creditors: amounts falling due after more than one year	9		(153,097)		-
Net assets			<u>99,497</u>		<u>47,940</u>
Funds					
Restricted funds			30,802		18,360
Unrestricted funds			68,695		29,580
Total funds			<u>99,497</u>		<u>47,940</u>

The financial statements are prepared in accordance with the special provisions of Part VIII of the Companies Order (Northern Ireland) 1986 relating to small companies and in accordance with the Financial Reporting Standards for Smaller Entities (effective January 2005).

The financial statements were approved by the Board on 1 June 07 and signed on its behalf by

Gary Beattie

Pastor Gary Beattie
Director

The notes on pages 7 to 14 form an integral part of these financial statements.

Abaana Ministries
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Notes to the financial statements
for the year ended 31 January 2007

1. Accounting policies

1.1. Accounting convention

The audited accounts are prepared under the historical cost convention and in accordance with the Financial Reporting Standards for Smaller Entities (effective January 2005). The audited accounts have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" (March 2005).

Fund accounting

Unrestricted funds are available for use at the discretion of the directors in the furtherance of the objectives of the charity.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of the appeal.

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 donations, appeals and collections and is included in full in the statement of financial activities when receivable.

Clothing and other items donated for resale through the charity's shop are included as incoming resources within activities for generating funds when they are sold.

Resources expended

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

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 audit fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

**Abaana Ministries
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**Notes to the financial statements
for the year ended 31 January 2007**

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Value added tax

The charity is not registered for VAT purposes, therefore irrecoverable VAT is charged to the Statement of Financial Activities, or capitalised as part of the cost of the related asset, where appropriate.

1.2. Tangible fixed assets and depreciation

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

Office equipment	-	25% straight line
Furniture & fittings	-	25% straight line
Field equipment	-	25% straight line

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Notes to the financial statements
for the year ended 31 January 2007

..... continued

2. Incoming resources from generated funds

	2007	2007	2007	2006
	Restricted	Unrestricted	Total	Total
Water Projects	10,886	-	10,886	195
School Projects	2,483	-	2,483	175
Medical Projects	120	-	120	-
Dwelling Place	6,842	-	6,842	4,460
Adoption Now	7,845	-	7,845	9,111
Child Sponsorship	115,932	-	115,932	81,768
Invisible Children	5,302	-	5,302	-
Bible Fund	700	-	700	-
Banda Necklaces	5,908	-	5,908	472
Africa Team A	26,223	4,088	30,311	33,532
Africa Team B	13,140	7,403	20,543	18,535
Africa Team C	306	2,940	3,246	-
Africa Team D	306	4,554	4,860	-
Africa Team E	2,166	934	3,100	-
Africa Team F	307	14,193	14,500	-
Donations & appeals	-	91,721	91,721	59,981
Grants	-	300	300	1,000
Fast4Africa	-	24,200	24,200	31,005
Other fundraising events	-	20,340	20,340	23,847
Premises appeal	-	34,706	34,706	-
Gift Aid	-	28,035	28,035	16,575
	<u>198,466</u>	<u>233,414</u>	<u>431,880</u>	<u>280,656</u>

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Notes to the financial statements
for the year ended 31 January 2007

..... continued

3. Project costs

	2007	2007	2007	2006
	Restricted	Unrestricted	Total	Total
Child Sponsorship				
Child Sponsorship	108,129	-	108,129	68,892
Wages - Child Sponsorship	-	9,350	9,350	-
	<u>108,129</u>	<u>9,350</u>	<u>117,479</u>	<u>68,892</u>
Educational				
School Projects	2,483	74,787	77,270	38,440
Training	-	1,900	1,900	266
Bible fund	700	200	900	-
	<u>3,183</u>	<u>76,887</u>	<u>80,070</u>	<u>38,706</u>
Africa Teams				
Africa Team A	26,223	-	26,223	25,678
Africa Team B	13,140	-	13,140	11,899
Africa Team C	306	-	306	-
Africa Team D	306	-	306	-
Africa Team E	2,166	-	2,166	-
Africa Team F	307	-	307	-
Wages - Africa Team	-	9,157	9,157	-
	<u>42,448</u>	<u>9,157</u>	<u>51,605</u>	<u>37,577</u>
Children at risk				
Dwelling Place	6,842	394	7,236	6,014
Adoption Now	6,800	-	6,800	6,600
Invisible Children	5,302	698	6,000	-
Orphan Based Project	-	14,000	14,000	-
	<u>18,944</u>	<u>15,092</u>	<u>34,036</u>	<u>12,614</u>
Development				
Water projects	9,200	-	9,200	8,000
Building homes	-	1,500	1,500	5,800
Trade projects	-	99	99	-
Fair Trade goods	-	607	607	-
Banda necklaces	4,000	-	4,000	4,000
	<u>13,200</u>	<u>2,206</u>	<u>15,406</u>	<u>17,800</u>

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Notes to the financial statements
for the year ended 31 January 2007

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Medical

Medical projects	120	3,080	3,200	19,785
Swazilands Aids Orphans	-	-	-	10,000
	<u>120</u>	<u>3,080</u>	<u>3,200</u>	<u>29,785</u>

Other Projects

Land & Guest House Project	-	20,000	20,000	-
Other Projects	-	5,480	5,480	1,617
Employing African Staff	-	2,020	2,020	2,396
Wages - Project admin	-	5,112	5,112	-
Insurance	-	494	494	1,056
Light & Heat	-	272	272	30
Printing, postage & stationery	-	6,708	6,708	4,742
Advertising	-	65	65	557
Telephone	-	1,293	1,293	1,758
Computer costs	-	392	392	-
Equipment hire	-	25	25	-
Petrol office	-	454	454	-
Travelling & entertainment	-	3,006	3,006	2,691
General expenses	-	745	745	213
Subscriptions	-	697	697	115
Rent	-	1,260	1,260	1,400
	<u>-</u>	<u>48,023</u>	<u>48,023</u>	<u>16,575</u>

**Abaana Ministries
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**Notes to the financial statements
for the year ended 31 January 2007**

..... continued

4. Cost of generating funds

	2007	2007	2007	2006
	Restricted	Unrestricted	Total	Total
<i>Running charity shop</i>				
Shop costs	-	1,437	1,437	-
Shop wages	-	2,251	2,251	-
Shop - interest on mortgage	-	3,474	3,474	-
Shop advertising	-	440	440	-
Volunteer expenses	-	70	70	-
Vehicle expenses	-	965	965	-
Repairs & maintenance	-	2,823	2,823	-
Insurance	-	494	494	-
Light & Heat	-	272	272	-
	-----	-----	-----	-----
	-	12,226	12,226	-
	-----	-----	-----	-----
<i>Fundraising expenditure</i>				
Fundraising wages	-	6,257	6,257	-
Printing, postage & stationery	-	1,654	1,654	2,773
Internet advertising	-	769	769	801
Website costs	-	1,048	1,048	965
Literature & brochures	-	2,454	2,454	270
PR Costs	-	678	678	540
Fundraising costs	-	3,206	3,206	1,719
	-----	-----	-----	-----
	-	16,066	16,066	7,068
	-----	-----	-----	-----

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Notes to the financial statements
for the year ended 31 January 2007

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5. Governance costs

	2007	2007	2007	2006
	Restricted	Unrestricted	Total	Total
Wages - general admin	-	7,517	7,517	23,656
Casual wages	-	940	940	150
Legal & professional	-	40	40	270
Consultancy	-	576	576	250
Bank charges	-	412	412	121
Depreciation	-	2,056	2,056	520
Accountancy	-	934	934	934
	-	<u>12,475</u>	<u>12,475</u>	<u>25,901</u>

6. Operating Surplus / (Deficit)

	2007	2006
	£	£
Net incoming resources is stated after charging:		
Depreciation and other amounts written off tangible assets	2,056	520
Auditors' remuneration	934	934
and after crediting:		
Interest receivable	<u>1,041</u>	<u>455</u>

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Notes to the financial statements
for the year ended 31 January 2007

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7. Tangible fixed assets	Land and buildings	Office equipment	Furniture & fittings	Field equipment	Total
	£	£	£	£	£
Cost					
At 1 February 2006	-	6,954	-	-	6,954
Additions	196,363	4,115	1,113	493	202,084
Disposals	-	(1,040)	-	-	(1,040)
At 31 January 2007	<u>196,363</u>	<u>10,029</u>	<u>1,113</u>	<u>493</u>	<u>207,998</u>
Depreciation					
At 1 February 2006	-	1,398	-	-	1,398
On disposals	-	(944)	-	-	(944)
Charge for the year	-	1,956	41	59	2,056
At 31 January 2007	<u>-</u>	<u>2,410</u>	<u>41</u>	<u>59</u>	<u>2,510</u>
Net book values					
At 31 January 2007	<u>196,363</u>	<u>7,619</u>	<u>1,072</u>	<u>434</u>	<u>205,488</u>
At 31 January 2006	<u>-</u>	<u>5,556</u>	<u>-</u>	<u>-</u>	<u>5,556</u>

8. Creditors: amounts falling due within one year	2007	2006
	£	£
Non interest loans	6,000	-
Mortgage	11,533	-
Accruals	1,420	3,378
	<u>18,953</u>	<u>3,378</u>

9. Creditors: amounts falling due after more than one year	2007	2006
	£	£
Mortgage	128,097	-
Non interest loans	25,000	-
	<u>153,097</u>	<u>-</u>