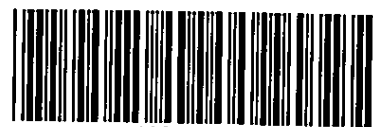


REGISTERED COMPANY NUMBER: 01799707 (England and Wales)
REGISTERED CHARITY NUMBER: 289235

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012
FOR
DAVENANT CENTRE (THE)

Ashfords Partnership LLP
114 - 116 Goodmayes Road
Ilford
Essex
IG3 9UZ

THURSDAY



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DAVENANT CENTRE (THE)
CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012

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DAVENANT CENTRE (THE)
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2012

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2012. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
01799707 (England and Wales)

Registered Charity number
289235

Registered office
114-116 Goodmayes Road
Ilford
Essex
IG3 9UZ

Trustees
C Holme
Mrs J R Odunoye
K U Ali
Miss S Begum

- resigned 14 5 12

Company Secretary
C Holme

Bankers
National Westminster Bank PLC
Mile End Branch
Albion Yard
331/335 Whitechapel Road
London
E1 1AU

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The company is registered as a charitable company limited by guarantee as set up in the Memorandum of Association on 13 March 1984. The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. The committee is made up of the Trustees of the Davenant Centre. The day to day administration of the Trust is carried out by the Operating Trustee.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The company's principal activity during the year continued to be that of working towards the provision of two community centres for the educational and social benefits of the inhabitants of the London Borough of Tower Hamlets.

The Trustees confirm that they have paid due regard to the guidance contained in the Charity Commission's general guidance on benefit when reviewing the Trust's aims and objectives for the year.

ON BEHALF OF THE BOARD



C Holme - Secretary

11 February 2013

DAVENANT CENTRE (THE)**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2012**

	Notes	Unrestricted funds £	Restricted funds £	31 3 12 Total funds £	31 3 11 Total funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income		-	-	-	5,584
Investment income	2	142,276	-	142,276	45,432
Total incoming resources		142,276	-	142,276	51,016
RESOURCES EXPENDED					
Costs of generating funds					
Fundraising trading cost of goods sold and other costs		149,730	-	149,730	140,463
Charitable activities					
General		-	-	-	24,556
Governance costs		20,097	-	20,097	33,569
Total resources expended		169,827	-	169,827	198,588
NET INCOMING/(OUTGOING) RESOURCES		(27,551)	-	(27,551)	(147,572)
RECONCILIATION OF FUNDS					
Total funds brought forward		(583,272)	1,926,011	1,342,739	1,490,311
TOTAL FUNDS CARRIED FORWARD		(610,823)	1,926,011	1,315,188	1,342,739

The notes form part of these financial statements

DAVENANT CENTRE (THE)

**BALANCE SHEET
AT 31 MARCH 2012**

	Notes	Unrestricted funds £	Restricted funds £	31 3 12 Total funds £	31 3.11 Total funds £
FIXED ASSETS					
Tangible assets	6	644,825	1,926,011	2,570,836	2,634,564
CURRENT ASSETS					
Debtors amounts falling due within one year	7	29,954	-	29,954	18,595
Cash at bank and in hand		64,845	-	64,845	76,344
		<u>94,799</u>	<u>-</u>	<u>94,799</u>	<u>94,939</u>
CREDITORS					
Amounts falling due within one year	8	(692,597)	-	(692,597)	(643,653)
NET CURRENT ASSETS/(LIABILITIES)		<u>(597,798)</u>	<u>-</u>	<u>(597,798)</u>	<u>(548,714)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		47,027	1,926,011	1,973,038	2,085,850
CREDITORS					
Amounts falling due after more than one year	9	(657,850)	-	(657,850)	(743,111)
NET ASSETS/(LIABILITIES)		<u>(610,823)</u>	<u>1,926,011</u>	<u>1,315,188</u>	<u>1,342,739</u>
FUNDS	11				
Unrestricted funds				(610,823)	(583,272)
Restricted funds				<u>1,926,011</u>	<u>1,926,011</u>
TOTAL FUNDS				<u>1,315,188</u>	<u>1,342,739</u>

The notes form part of these financial statements

DAVENANT CENTRE (THE)

BALANCE SHEET - CONTINUED
AT 31 MARCH 2012

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2012

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 March 2012 in accordance with Section 476 of the Companies Act 2006

The trustees acknowledge their responsibilities for

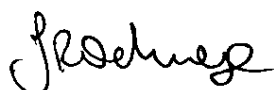
- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit 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

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Board of Trustees on 11 February 2013 and were signed on its behalf by:



C Holme -Trustee



Mrs J R Odunoye -Trustee

DAVENANT CENTRE (THE)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Land and buildings	- 2% on cost
Plant and machinery etc	- 25% on reducing balance

Taxation

The charity is exempt from corporation tax on its charitable activities

Fund accounting

General funds are unrestricted funds which are available for the use at the discretion of the Trustees in furtherance of the activities of the charity and have not been designated for other purposes

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the charity for particular purposes. The cost of raising and administering such fund are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements

Rent premium

Rent premium received totalling £85,106 on 21st October 2010 from Bangladeshi Drugs Project, in respect of a new 10 year lease is recognised as income in equal installments over the term of the lease

2. INVESTMENT INCOME

	31 3 12	31 3 11
	£	£
Rents received	132,686	45,432
Insurance reimbursed	9,590	-
	<u>142,276</u>	<u>45,432</u>

3. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	31 3 12	31 3 11
	£	£
Auditors' remuneration	2,600	2,500
Depreciation - owned assets	<u>63,728</u>	<u>66,666</u>

DAVENANT CENTRE (THE)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2012

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2012 nor for the year ended 31 March 2011

Trustees' Expenses

There were no trustees' expenses paid for the year ended 31 March 2012 nor for the year ended 31 March 2011

5. STAFF COSTS

	31 3 12	31 3 11
	£	£
Wages and salaries	-	22,377
Social security costs	-	2,179
	<u>-</u>	<u>24,556</u>

6. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery etc £	Totals £
COST			
At 1 April 2011 and 31 March 2012	4,482,711	137,284	4,619,995
DEPRECIATION			
At 1 April 2011	1,883,400	102,031	1,985,431
Charge for year	54,915	8,813	63,728
At 31 March 2012	1,938,315	110,844	2,049,159
NET BOOK VALUE			
At 31 March 2012	<u>2,544,396</u>	<u>26,440</u>	<u>2,570,836</u>
At 31 March 2011	<u>2,599,311</u>	<u>35,253</u>	<u>2,634,564</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 3 12	31 3 11
	£	£
Amount due from tenants	25,108	-
Accrued income	-	12,500
Prepayments	4,846	6,095
	<u>29,954</u>	<u>18,595</u>

DAVENANT CENTRE (THE)

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2012**

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 3 12	31 3 11
	£	£
Bank loans and overdrafts	85,024	85,024
LBTH Loan	531,594	524,594
VAT	19,570	16,617
Rent deposit	5,416	-
Accruals	5,917	4,501
Deferred income	36,565	4,406
Deferred income - Rent premium	8,511	8,511
	<u>692,597</u>	<u>643,653</u>

The LBTH loan is secured by a second charge on the charity's freehold property.

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31 3 12	31 3 11
	£	£
Bank loans more 5 yr by instal	593,666	670,416
Deferred income - Rent premium	64,184	72,695
	<u>657,850</u>	<u>743,111</u>

Amounts falling due in more than five years

Repayable by instalments.		
Bank loans more 5 yr by instal	<u>593,666</u>	<u>670,416</u>

10. SECURED DEBTS

The following secured debts are included within creditors

	31 3 12	31 3 11
	£	£
Bank loans	<u>678,690</u>	<u>755,440</u>

The bank loan is secured by a first charge on the charity's freehold property

11. MOVEMENT IN FUNDS

	At 1 4 11	Net movement	At 31.3 12
	£	in funds	£
		£	
Unrestricted funds			
General fund	(1,469,711)	(27,551)	(1,497,262)
Designated funds	886,439	-	886,439
	<u>(583,272)</u>	<u>(27,551)</u>	<u>(610,823)</u>
Restricted funds			
General fund	1,926,011	-	1,926,011
TOTAL FUNDS	<u>1,342,739</u>	<u>(27,551)</u>	<u>1,315,188</u>

DAVENANT CENTRE (THE)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2012

11. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	142,276	(169,827)	(27,551)
TOTAL FUNDS	<u>142,276</u>	<u>(169,827)</u>	<u>(27,551)</u>

Purposes of unrestricted funds

The designated funds is fixed assets reserves which represent the net book value of unrestricted fixed assets. Each year an amount will be transferred to or from the funds representing the movement in the net book value of unrestricted tangible fixed assets in the year.

Purposes of restricted funds

The restricted funds is the fixed assets funds which represents the net book value of fixed assets purchased from restricted grants with a continuing restriction as to use.

12. CONTINGENT LIABILITIES

The land and building were purchased by use of grant aid exceeding £1.6 million. The initial and by far the most substantial grant was from Greater London Council (GLC). A condition of the grant aid was that GLC and successors in title have a mortgage charge secured on the property to the extent of the grant aid (£1,093,470). This charge is for thirty years from 6 June 1984. It is estimated that the amount of the charge would now be in the region of £147,000 (2011 £220,000), as 28 years of the relevant period have elapsed. In addition, there are covenants and regulations restricting the use of the property. The mortgage is a charge, contingent on any breaches of the conditions of grant aid and would normally be payable.

On 22nd July 2005, the Big Lottery Fund have advanced £250,000 to the charity as a grant for youth service project and contribution towards the cost of refurbishment of the centre. A part of the grant is repayable if the charity is unable to deliver certain outputs and outcomes. The grant is secured by a charge over the charity's freehold property.

DAVENANT CENTRE (THE)
DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2012

	31 3 12 £	31 3 11 £
INCOMING RESOURCES		
Voluntary income		
Sundry income	-	5,584
Investment income		
Rents received	132,686	45,432
Insurance reimbursed	9,590	-
	<u>142,276</u>	<u>45,432</u>
Total incoming resources	142,276	51,016
RESOURCES EXPENDED		
Fundraising trading: cost of goods sold and other costs		
Water rates	-	345
Light & heat	-	10,050
Repairs & maintenance	23,100	15,884
Insurance	9,882	10,238
Management fees	21,755	8,346
Legal & professional fees	17,265	10,480
Telephone	-	3,293
Freehold property	54,915	54,915
Fixtures and fittings	8,813	11,751
Bank loan interest	14,000	15,161
	<u>149,730</u>	<u>140,463</u>
Charitable activities		
Wages	-	22,377
Social security	-	2,179
	<u>-</u>	<u>24,556</u>
Governance costs		
Irrecoverable VAT	2,784	6,984
Accountancy	2,500	2,000
Sundries	237	1,078
Legal & professional fees	4,580	13,215
Auditors' remuneration	2,600	2,500
Bank charges	396	337
Postage & stationary	-	331
Bank interest	7,000	7,124
	<u>20,097</u>	<u>33,569</u>
Total resources expended	169,827	198,588
Net expenditure	<u>(27,551)</u>	<u>(147,572)</u>

This page does not form part of the statutory financial statements