

Accepted

Company registered number: 3560985

HARVESTER TRUST TONBRIDGE

**ANNUAL REPORT AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED

31 DECEMBER 2004



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HARVESTER TRUST TONBRIDGE

LEGAL AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 DECEMBER 2004

Trustees

Mr R Beauchamp
Mr P Brooker (Appointed 14 September 2004)
Mr D Giles (Appointed 14 September 2004)
Mr R Home
Mrs L Hutchinson
Mrs A Lee
Reverend N Lee

Secretary

Mrs L Hutchinson

Registered office

50 Broadway
Westminster
London
SW1H 0BL

Bankers

National Westminster Bank plc
City of London Office
1 Princes Street
London
EC2R 8PA

Auditors

Creaseys
Chartered Accountants and Registered Auditors
12 Lonsdale Gardens
Tunbridge Wells
Kent
TN1 1PA

Solicitors

Bircham Dyson Bell
50 Broadway
Westminster
London
SW1H 0BL

Company number

3560985

Registered charity number

1072895

HARVESTER TRUST TONBRIDGE

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HARVESTER TRUST TONBRIDGE

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2004

The Trustees present their Annual Report for the year ended 31 December 2004.

Constitution

Harvester Trust Tonbridge is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association.

Objects of the charity

The Trust was established in 1998 to advance the Christian religion. The Trustees have pursued this object primarily through the establishment of a place of Christian worship and Christian community project groups.

Organisation

The Board of Trustees, which meets monthly, administers the charity. Monthly management accounts are prepared by the Trust's accountants for review by the Trustees in conjunction with the Trust's finance manager.

Review of activities and future developments

The Trust has provided funding to its wholly owned subsidiary for the establishment of a place of Christian worship which opened in January 2003. The Trustees are pleased to note that the subsidiary's turnover increased from £57,601 (2003) to £101,108 (2004). A further increase in turnover is expected in 2005.

The Trust's 'Open Hands' Christian community project group continued to work with Social Services to provide support for vulnerable members of the community.

During the year the Trustees supported a number of Christian causes including Back to Jerusalem Trust (missionary activities in China), City Church Belfast (centre for young people), Iris Ministries (missionary activities in Mozambique), Mangatera Trust (ministry centre in New Zealand), and YouthNow (youth ministry).

Risk management

The Trustees acknowledge their responsibility for identifying the major risks which the charity may face and developing policies to mitigate those risks. The Trustees currently monitor the charity's activities in their regular meetings and receive reports on the charity's financial position. The Trustees aim to carry out a formal assessment of all the risks faced by the charity in the near future.

Reserves policy

The charity has General Funds of £4,320,847 at the end of the year. Of these, £3,315,502 are loaned to the charity's subsidiary company, Harvester Conferences Limited, in support of the construction and running of the River Centre. The Trust's free reserves, excluding those held as fixed assets, are £1,005,343 of which it is proposed that £700,000 be lent to the subsidiary for the completion of the place of Christian worship.

The charity allocates a proportion of its surplus each year to the payment of gifts to Christian causes.

HARVESTER TRUST TONBRIDGE

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2004

Trustees

The Trustees who served in the year are shown on the Legal and Administrative Details at the front of the Annual Report and Financial Statements.

Trustees' responsibilities

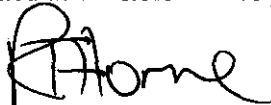
Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the net income or expenditure, for that period. In preparing those accounts, the Trustees are required to: -

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards, subject to any material departures disclosed and explained in the financial statements; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue to operate.

The Trustees are responsible for maintaining proper accounting records, which 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 1985. 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.

Auditors

In accordance with Section 385 of the Companies Act 1985, a Resolution proposing that Creaseys be re-appointed as auditors will be put to the Annual General Meeting.



On behalf of the Trustees

17/5/05

HARVESTER TRUST TONBRIDGE

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HARVESTER TRUST TONBRIDGE

We have audited the financial statements of Harvester Trust Tonbridge on pages 4 to 15 for the year ended 31 December 2004. These financial statements have been prepared 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 Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Trustees and auditors

As described on page 2, the company's trustees are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 Act 1985. We also report to you if, in our opinion, the report of the trustees 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 trustees' remuneration and transactions with the charity is not disclosed.

We are not required to consider whether the statement in the report of the trustees concerning the major risks to which the charity is exposed covers all existing risks and controls, or to form an opinion on the effectiveness of the charity's risk management and control procedures.

We read other information contained in the trustees' report and consider whether it is consistent with the financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

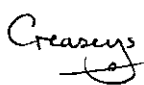
Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes an 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 trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity'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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the charitable company's and its subsidiary company's affairs as at 31 December 2004 and of their incoming resources and application of resources including their income and expenditure for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.


Chartered Accountants
Registered Auditor

27th May 2005
12 Lonsdale Gardens
Tunbridge Wells
Kent
TN1 1PA

HARVESTER TRUST TONBRIDGE

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(including income and expenditure account)

FOR THE YEAR ENDED 31 DECEMBER 2004

		Unrestricted funds	
		2004	2003
	Notes	£	£
Incoming resources			
Donations and gifts	2	1,773,227	631,377
Activities for generating funds:			
Conferences and resources		-	24,102
Trading subsidiary income		101,108	57,601
Sundry receipts		-	3,000
Interest receivable		10,685	2,236
Total incoming resources		1,885,020	718,316
Cost of generating funds			
Conferences and resources		-	35,065
Trading subsidiary expenditure		373,608	261,568
Bank loan interest		127,358	116,199
		500,966	412,832
Charitable expenditure			
Donations		334,911	66,872
Support costs		22,224	66,823
Management and administration		11,478	15,943
Total charitable expenditure	3	368,613	149,638
Total resources expended		869,579	562,470
Net movement in funds			
- Net income for the year	4	1,015,441	155,846
Funds brought forward		2,316,650	2,160,804
Funds carried forward	11	3,332,091	2,316,650

All activities relate to continuing operations



The notes on pages 7 to 15 form part of the financial statements.

HARVESTER TRUST TONBRIDGE

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2004

	Notes	2004 £	£	2003 £	£
Fixed assets					
Tangible fixed assets	5	5,356,179		5,155,253	
Investments	6	8,372		13,810	
		<u>5,364,551</u>		<u>5,169,063</u>	
Current assets					
Stock	7	-		726	
Debtors	8	48,356		35,281	
Balance at bank and in hand		975,390		151,739	
		<u>1,023,746</u>		<u>187,746</u>	
Creditors: amounts falling due within one year	9	(176,206)		(160,159)	
Net current assets		<u>847,540</u>		<u>27,587</u>	
Total assets less current liabilities		<u>6,212,091</u>		<u>5,196,650</u>	
Creditors: amounts falling due after more than one year	10	(2,880,000)		(2,880,000)	
Net assets		<u><u>3,332,091</u></u>		<u><u>2,316,650</u></u>	
Unrestricted funds	11				
General funds		4,320,847		2,736,801	
Designated fund		-		4,115	
Trading subsidiary		(988,756)		(424,266)	
		<u><u>3,332,091</u></u>		<u><u>2,316,650</u></u>	

Approved by the Trustees on 17/5/05 and signed on their behalf by

Trustee  Trustee 

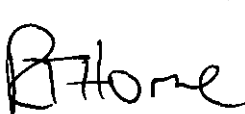
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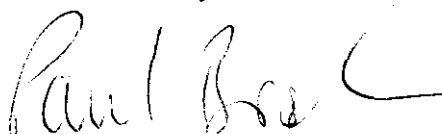
HARVESTER TRUST TONBRIDGE

COMPANY BALANCE SHEET AS AT 31 DECEMBER 2004

	Notes	2004 £	£	2003 £	£
Fixed assets					
Tangible fixed assets	5	-		18,830	
Investments	6	3,315,504		2,665,091	
		<u>3,315,504</u>		<u>2,683,921</u>	
Current assets					
Stock	7	-		726	
Debtors	8	34,600		26,958	
Balance at bank and in hand		975,390		42,616	
		<u>1,009,990</u>		<u>70,300</u>	
Creditors: amounts falling due within one year	9	(4,647)		(13,305)	
Net current assets		<u>1,005,343</u>		<u>56,995</u>	
Net assets		<u><u>4,320,847</u></u>		<u><u>2,740,916</u></u>	
Unrestricted funds	11				
General funds		4,320,847		2,736,801	
Designated fund		-		4,115	
		<u><u>4,320,847</u></u>		<u><u>2,740,916</u></u>	

Approved by the Trustees on 17/5/05 and signed on their behalf by

Trustee 

Trustee 

The notes on pages 7 to 15 form part of the financial statements.

HARVESTER TRUST TONBRIDGE

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2004

1 Accounting policies

1.1 Basis of accounting

The accounts have been prepared under the historical cost convention in accordance with with applicable Accounting Standards, the Statement of recommended Practice "Accounting and Reporting by Charities" (SORP 2000) issued in October 2000, and the Companies Act 1985.

1.2 Consolidation

These financial statements consolidate the results of the charity and its wholly owned subsidiary, Harvester Conferences Limited, on a line by line basis.

The charity has opted under Section 230 of the Companies Act 1985 and paragraph 304 of the SORP not to present its own Statement of Financial Activities.

1.3 Cash flow statement

The company qualifies as a small company under the Companies Act 1985. The Trustees have elected to take advantage of the exemptions under FRS1 (Revised) not to prepare a cash flow statement.

1.4 Interest receivable

Interest receivable is accounted for on an accruals basis.

1.5 Donations and gifts

Donations and gifts are included in incoming resources when receivable.

1.6 Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any unrecoverable VAT.

Donations include gifts to Christian causes. The charity has the intention of giving at least 10% of its incoming resources to Christian causes.

Support costs comprise costs incurred directly in support of expenditure on the objects of the charity.

Costs not directly in support of the charity's objects are classified as management and administration.

1.7 Fixed assets

Freehold land is not depreciated. All other fixed assets are depreciated to write off their cost over their estimated useful lives at the following rates

Freehold land and buildings	-	2% straight line
Furniture fittings and equipment	-	10% - 33% straight line

Leasehold property purchased in the year will be depreciated from 1 January 2005

HARVESTER TRUST TONBRIDGE

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2004 (Continued)

2 Donations and gifts	2004	2003
	£	£
Donations	1,667,512	538,207
Deeds of Covenant and Gift Aid	105,715	93,170
	1,773,227	631,377

3 Total charitable expenditure			Manage- ment and admini- stration	2004	2003
	Donations	Support costs		Total	Total
	£	£	£	£	£
Staff costs	-	-	-	-	13,397
Gifts to Christian Causes (see below)	334,911	-	-	334,911	66,872
Office costs	-	6,300	700	7,000	12,000
Motor expenses	-	-	-	-	1,194
Travel and entertainment	-	-	-	-	3,011
Office supplies	-	-	-	-	7,657
Postage	-	-	-	-	439
Telephone	-	-	-	-	3,174
Printing and brochures	-	-	-	-	10,469
Professional fees	-	13,025	10,778	23,803	12,365
Equipment hire	-	-	-	-	1,766
Advertising and promotion	-	-	-	-	321
Bank charges and interest	-	2,899	-	2,899	2,079
Depreciation	-	-	-	-	6,278
General expenses	-	-	-	-	8,616
	334,911	22,224	11,478	368,613	149,638

Comparative figures include costs relating to church activities which are now undertaken by a separate charity.

HARVESTER TRUST TONBRIDGE

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2004 (Continued)

3 Total charitable expenditure (continued)

The following gifts to Christian causes of £1,000 or more were made during the year:-

	2004	2003
	£	£
Back to Jerusalem Trust (missionary activities in China)	8,000	
City Church Belfast (centre for young people)	10,000	
Delevingne, Jean (mission grant - Spokane)	1,000	
Father Heart Ministries (Christian teaching ministry)	3,500	
Foxwell, Edward (mission grant - Mozambique)	1,000	
Godfrey Birtill Music (Christian music ministry)	1,500	
Graham Cooke Ministries (Christian teaching ministry)	5,000	
Intercessors International (Alves) (Christian prayer ministry)	5,661	
Iris Ministries (missionary activities in Mozambique)	225,000	
Mangatera Trust (ministry centre in New Zealand)	45,000	
New Life Church, St. Petersburg (Moffett) (Christian church support)	1,000	
Partners in Harvest (Christian church network)	5,000	
Riverlution (Banov) (missionary activities in Turkey)	1,000	
Syre, Elizabeth (Christian teaching ministry)	1,000	
TMBC Skateboard (youth activities)	5,000	
Wright, Jessica (mission grant - Brazil)	1,000	
YouthNow (Weiner Ministries) (youth ministry)	12,000	
Other donations under £1,000	3,250	
Total	334,911	66,872

HARVESTER TRUST TONBRIDGE

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2004 (Continued)

4 Staff costs (Group)	2004	2003
	£	£
Wages and salaries	107,275	90,041
Social security costs	10,924	8,191
Pension costs	9,085	14,106
	<u>127,284</u>	<u>112,338</u>

No employee was paid more than £50,000.

The average number of full time equivalent staff employed during the year was:	2004	2003
Operation and administration of Centre	<u>6</u>	<u>5</u>

4 Net movement in funds	2004	2003
	£	£
This is stated after charging:		
Auditors' remuneration - audit fees	5,428	4,218
- other work	8,883	2,955
Depreciation of tangible fixed assets - owned	<u>108,998</u>	<u>57,989</u>

HARVESTER TRUST TONBRIDGE

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2004 (Continued)

5 Fixed assets

Group	Land and buildings £	Other tangible fixed assets £	Total £
Cost			
At 1 January 2004	4,981,290	262,691	5,243,981
Additions	275,741	34,183	309,924
Inter group transfer	-	(24,670)	(24,670)
At 31 December 2004	5,257,031	272,204	5,529,235
Depreciation			
At 1 January 2004	-	88,728	88,728
Charge for the Year	84,626	24,372	108,998
Inter group transfer	-	(24,670)	(24,670)
At 31 December 2004	84,626	88,430	173,056
Net Book Value			
At 31 December 2004	5,172,405	183,774	5,356,179
At 31 December 2003	4,981,290	173,963	5,155,253

The net book value of land and buildings includes £162,695 in respect of property held on a long lease.

Company	Fixtures and fittings £
Cost	
At 1 January 2004	43,500
Transfer to Harvester Conferences Limited	(43,500)
At 31 December 2004	-
Depreciation	
At 1 January 2004	24,670
Transfer to Harvester Conferences Limited	(24,670)
At 31 December 2004	-
Net Book Value	
At 31 December 2004	-
At 31 December 2003	18,830

HARVESTER TRUST TONBRIDGE

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2004 (Continued)

6 Investments	2004	2003
	£	£
Group		
Financial instrument	<u>8,372</u>	<u>13,810</u>

The financial instrument represents the cost of purchase of an interest rate cap expiring on 17th July, 2006, totalling £21,750, less amortisation of £13,378.

Company

Subsidiary Undertaking

- shares at cost	2	2
- loan	<u>3,315,502</u>	<u>2,665,089</u>
	<u>3,315,504</u>	<u>2,665,091</u>

The Company owns the whole of the issued share capital of Harvester Conferences Limited. The principal activity of the subsidiary is to operate a Christian Conference Centre in Tonbridge, Kent. Harvester Conferences Limited is a company registered in England. The loan has been made available to the subsidiary, on a secured basis, to fund the purchase and development of its property. The development is ongoing. There is no fixed date for repayment. Interest is payable on the loan at 1.5% over bank base rate.

7 Stock	Group		Company	
	2004	2003	2004	2003
	£	£	£	£
Goods held for resale	<u>-</u>	<u>726</u>	<u>-</u>	<u>726</u>

8 Debtors	Group		Company	
	2004	2003	2004	2003
	£	£	£	£
Income tax and VAT recoverable	26,594	21,433	24,233	20,327
Other debtors and prepayments	21,762	13,848	10,367	1,050
Subsidiary company debtor	-	-	-	5,581
	<u>48,356</u>	<u>35,281</u>	<u>34,600</u>	<u>26,958</u>

HARVESTER TRUST TONBRIDGE

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2004 (Continued)

9 Creditors: amounts falling due within one year	Group		Company	
	2004	2003	2004	2003
	£	£	£	£
Bank overdraft	18,332	-	-	-
Social security and other taxes	3,772	2,403	-	2,403
Other creditors	-	-	-	-
Accruals	154,102	157,756	4,647	10,902
	<u>176,206</u>	<u>160,159</u>	<u>4,647</u>	<u>13,305</u>

10 Creditors: amounts falling due after more than one year	Group		Company	
	2004	2003	2004	2003
	£	£	£	£
Secured Loan	630,000	630,000	-	-
Bank Loan	2,250,000	2,250,000	-	-
	<u>2,880,000</u>	<u>2,880,000</u>	<u>-</u>	<u>-</u>

The secured loan is repayable on 1st January, 2015. Interest is payable on the loan at 2% over bank base rate from 1 January 2004.

The bank loan, which is part of a facility of £2,250,000, is secured on the freehold property and interest is payable at 1.5% over bank base rate. It is repayable in equal quarterly instalments commencing in June 2006 to achieve full repayment by 30th June 2014. The bank loan has also been guaranteed by seven individuals for a total sum of £700,000.

HARVESTER TRUST TONBRIDGE

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2004

(Continued)

11 Unrestricted funds

	As at 1 January 2003 £	Incoming resources £	Outgoing resources £	Transfers £	As at 31 December 2004 £
General funds	2,736,801	1,948,544	(368,613)	4,115	4,320,847
Designated fund	4,115	-	-	(4,115)	-
Company	2,740,916	1,948,544	(368,613)	-	4,320,847
Trading subsidiary	(424,266)	102,402	(666,892)	-	(988,756)
Inter company loan interest	-	(165,926)	165,926	-	-
Group	2,316,650	1,885,020	(869,579)	-	3,332,091

12 Analysis of group net assets between funds

	General funds £	Trading subsidiary £	Total £
Fixed assets	-	5,356,179	5,356,179
Investments	-	8,372	8,372
Net current assets/(liabilities)	1,005,343	(157,803)	847,540
Long term liabilities	-	(2,880,000)	(2,880,000)
Investment in subsidiary	3,315,504	(3,315,504)	-
	4,320,847	(988,756)	3,332,091

HARVESTER TRUST TONBRIDGE

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2004

(Continued)

13 Transactions with trustees and connected persons

13.1 Remuneration of £4,145 was paid to Mrs K Beauchamp, spouse of Mr R Beauchamp, a Trustee, for part time work. No remuneration was paid to any other Trustee or connected persons in the year.

13.2 Mr R T Horne is a trustee of a trust which has advanced the unsecured loan of £630,000 to the subsidiary undertaking.

13.3 Mr R T Horne and Mr J R Hutchinson (spouse of Mrs L Hutchinson) are two of the seven guarantors of the bank loan.

14 Capital commitments	2004	2003
	£	£
Group		
Approved but not yet contracted for	686,393	-