

REGISTERED COMPANY NUMBER: 4646479 (England and Wales)
REGISTERED CHARITY NUMBER: 1096720

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 March 2017
for
SWANSEA CITY MISSION & EDUCATIONAL TRUST

Martin Waterworth Limited
Chartered Accountants
Bronwylfa
Llangunnor Road
Carmarthen
Dyfed
SA31 2PB



SWANSEA CITY MISSION & EDUCATIONAL TRUST

Report of the Trustees **for the year ended 31 March 2017**

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 2017. The trustees have adopted the provisions of 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) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objective is to advance the Christian faith by the promotion of the Gospel of the Lord Jesus Christ throughout South Wales and to advance the education of young people throughout the City and County of Swansea.

The organisation provides a free counselling service available to all who seek help with serious life problems. Referrals from charitable groups, medical practices, churches and Social Services are dealt with by a group of fully qualified and accredited counsellors.

Nicholaston House provides residential accommodation to serve as a place of peace, healing, retreat and restoration. The House also serves as a venue for conferences, teaching courses and training to meet specific needs.

Open Air Gospel outreach and Christian ministry are undertaken.

Public benefit

The objectives outlined are clearly aimed at the welfare of the public, being open to all. The activities undertaken are monitored closely by the staff and trustees to ensure that the recipients of the charity's services and facilities have an experience in keeping with its Christian aims and ethos.

The trustees have referred to the Charity Commission's guidance on public benefit when reviewing the charity's aims and objectives and planning future activities.

SWANSEA CITY MISSION & EDUCATIONAL TRUST

Report of the Trustees **for the year ended 31 March 2017**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The Swansea City Mission, founded in 1988, continues under God to flourish and develop. The trustees have met on a number of occasions during the year to consider reports of the work and continued financial viability. Actions have been taken to ensure that satisfactory standards have been maintained. The Trustees are the persons who hold ultimate responsibility and they have continued to act with foresight, faith, wisdom and courage.

Christian Counselling Service

The service, though diminished, has continued since 1995. There are six counsellors in the group, which includes a Supervisor, Linda Miles, and a co-ordinator, Sylvia Cox. A number of referrals come from Orchard Street clinic, the mental health facility which has an up to two year waiting list. Other professionals also make referrals, indicating that the service offered is well regarded. Counsellors are trained volunteers and the service is free, though clients are told of the costs involved and donations are encouraged.

Many problems are encountered, but it not surprising with the pressures of modern life that there is a high incidence of depression, stress, and anxiety. People come from all walks of life, those with a faith, non-Christian beliefs, or no faith at all. All are welcome and treated non-judgmentally. Our base continues to be at Sketty Baptist Church.

Nicholaston House

Nicholaston House has flourished during the past year. Familiar names appear on the programme as their popularity has been established, their weeks sometimes being fully booked from year to year. Sadly, we say goodbye to faithful contributor Tony Horsfall. However, new names do appear and people continue to be refreshed, blessed, and healed - the focus of Nicholaston House. Prayer ministers have been trained, so that the team has been expanded. Guests to the house, who are not attending any courses, sometimes ask for prayer and it is good that their requests can usually be accommodated.

Quiet Days, a fairly new feature, are incorporated into the programme. Prayer and worship have taken place in the Chapel every morning, attended by staff and guests. There has been much discussion regarding the need to establish a rhythm of prayer. Evening prayer times will be established later in 2017, as well as staff-only chapel times at the start of each working day.

Helena Wilkinson now lives locally, but continues with her able team to provide help to people suffering eating disorders. She now offers equestrian therapy, as well as other life enhancing courses. As guests experience healing in their lives, some return to become members of Helena's team, revealing God's glory in the way their lives have been changed.

Once again in 2016 occupancy has increased, as Nicholaston House becomes more known, partly due to guests who are able to recommend the House after a beneficial stay and to the efforts of Ian Ambrose (Operations Manager) and his skills in publicity. Church groups are of course welcome and continue to come. The following figures give some idea of the number of guests who were welcomed in 2016:

2,490 guests in total, of which:

971 Residential Guests
42 Day Conferences
13 Weekend Conferences
1 Wedding
10 Christmas meal groups
25 guests for Prayer Ministry
28 people for eating disorder courses

Guests came from around the UK, as well as further afield, including: New Zealand, Australia, USA, Switzerland, Norway and South Africa.

SWANSEA CITY MISSION & EDUCATIONAL TRUST

Report of the Trustees **for the year ended 31 March 2017**

ACHIEVEMENT AND PERFORMANCE

Charitable activities (continued) and volunteers

Reports are frequently received commenting on the care and thoughtfulness of staff. In an establishment as small as Nicholaston House, staff movement has a considerable impact, so that it is with gratitude that staff have been able to maintain standards at times of staff shortage. This has been particularly noticeable in the area of the kitchen, but no guest or staff member has been without a meal. Demands are often heavy in physical, emotional, and spiritual terms, and prayer is needed to strengthen their hands.

Visitors to the House will be aware of the work undertaken by the volunteer gardeners, and the probationers that have helped to transform walls and paths, as well as other works. In 2016 the probation team were presented with the 2015 National Overall NOMS (National Offender Management Service) Wildlife Award for their wildlife garden project work at Nicholaston House. Commenting about their community pay-back experience at Nicholaston House, one offender said: 'I am pleased that I finished my unpaid work order, but I will miss working down at Nicholaston House. I enjoyed working in the gardens and building walls and fences. I hope all the hard work wins us the awards again for the gardens.'

Other volunteers have covered a host of necessary tasks, including: cleaning, ironing, mending and maintenance. Without these people the House would find it difficult to function. We are deeply grateful for their help.

FINANCIAL REVIEW

Financial position

There have been many demands on the finances of the House, some of these have been due to the planned development of the premises, such as Surveyor and Architect fees, the production of plans, and tree felling. An old house requires maintenance as deterioration takes place. We praise God and thank contributors that the work has continued through the giving of His people. Committed giving is helpful, as it enables the planning of the budget and for application to be made for Gift Aid. Later in 2017 there will be further details given regarding the development project and ways in which people may contribute financially.

Reserves policy

Swansea City Mission Educational Trust has much of its reserves tied up in its freehold property (Nicholaston House) and the maintenance thereof (net of a long-term loan). This property is the crux of its operations, without which the Charity could not offer its services. Otherwise, it tries to maintain sufficient reserves to meet ongoing maintenance and other costs such as repayment of loan within one year. The net current asset level of £15K is not excessive for this purpose, especially given that more than this is held on long-term prepayment of future development costs as shown in note 9.

FUTURE PLANS

After much discussion, the plans for the development were approved by the Council in January. The House will shut down in the early months of 2019 in order to accommodate the work. Alternative accommodation will be sought, on a short-term basis, so that the momentum of courses is maintained. Please pray that the practical details will go smoothly, that financial gifts will be given to cover the cost of the building, and that our fundraiser will receive a positive response from the organisations he will approach.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, memorandum and articles incorporated 24 January 2003, and constitutes a limited company limited by guarantee, as defined by the Companies Act 2006.

Organisational structure and decision making

The Trustees have no formal training procedures in place and rely on their individual specialities and professional training. All major decisions relating to services, staffing and policy are made by the Trustees who hold regular meetings and discussions. Day to day running of the establishment is delegated to responsible staff members who meet regularly with the responsible Trustee. The safe conduct of the counselling centre and the residential establishment catering for the needs of all including the young, the elderly and the vulnerable are regularly reviewed.

The Trustees do not receive any financial benefits from the charity, except that Helena Wilkinson receives fees for her work invoiced via her self-employment. The amounts are disclosed in the accounts.

SWANSEA CITY MISSION & EDUCATIONAL TRUST

Report of the Trustees
for the year ended 31 March 2017

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
4646479 (England and Wales)

Registered Charity number
1096720

Registered office
Nicholaston House
Penmaen
Gower
Swansea
SA3 2HL

Trustees
J D Jones
M R Burr
D J Hancock
Miss S E Cox
J C Penberthy
G Thomas
A P Gray
Miss H Wilkinson

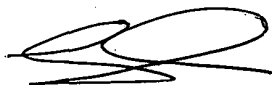
Patron: Rt Hon Lord Anderson of Swansea

Company Secretary
J D Jones

Independent examiner
Martin Waterworth Limited
Chartered Accountants
Bronwyf
Llangunnor Road
Carmarthen
Dyfed
SA31 2PB

Solicitors
Messrs Beor Wilson Lloyd, incorporating Peter Williams & Co, Swansea

Approved by order of the board of trustees on 16 October 2017 and signed on its behalf by:



G Thomas - Trustee

Independent Examiner's Report to the Trustees of
Swansea City Mission & Educational Trust

I report on the accounts for the year ended 31 March 2017 set out on pages six to thirteen.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the accounts. The charity's 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 required.

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 the 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 statements 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 and 387 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 of the Companies Act 2006 and with the methods and principles of the 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) (effective 1 January 2015)

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.



Martin Waterworth FCA
Martin Waterworth Limited
Chartered Accountants
Bronwylfa
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Carmarthen
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SA31 2PB

16 October 2017

SWANSEA CITY MISSION & EDUCATIONAL TRUST**Statement of Financial Activities**
for the year ended 31 March 2017

	Notes	Unrestricted fund £	Restricted fund £	31.3.17 Total funds £	31.3.16 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		53,284	-	53,284	46,354
Charitable activities					
Christian Retreat & Ministry; B&B & Conference Centre		180,583	-	180,583	171,088
Other trading activities	2	415	-	415	105
Investment income	3	22	-	22	1
Total		<u>234,304</u>	<u>-</u>	<u>234,304</u>	<u>217,548</u>
 EXPENDITURE ON					
Charitable activities					
Christian Retreat & Ministry; B&B & Conference Centre		<u>227,543</u>	<u>-</u>	<u>227,543</u>	<u>190,572</u>
NET INCOME		6,761	-	6,761	26,976
 RECONCILIATION OF FUNDS					
Total funds brought forward		779,362	850	780,212	753,236
 TOTAL FUNDS CARRIED FORWARD		<u><u>786,123</u></u>	<u><u>850</u></u>	<u><u>786,973</u></u>	<u><u>780,212</u></u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

SWANSEA CITY MISSION & EDUCATIONAL TRUST

Statement of Financial Position **At 31 March 2017**

	Notes	Unrestricted fund £	Restricted fund £	31.3.17 Total funds £	31.3.16 Total funds £
FIXED ASSETS					
Tangible assets	7	875,740	850	876,590	864,127
CURRENT ASSETS					
Stocks	8	500	-	500	500
Debtors	9	27,101	-	27,101	18,300
Cash at bank and in hand		1,886	-	1,886	22,258
		<u>29,487</u>	<u>-</u>	<u>29,487</u>	<u>41,058</u>
CREDITORS					
Amounts falling due within one year	10	(14,102)	-	(14,102)	(13,260)
NET CURRENT ASSETS		<u>15,385</u>	<u>-</u>	<u>15,385</u>	<u>27,798</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		891,125	850	891,975	891,925
CREDITORS					
Amounts falling due after more than one year	11	(105,002)	-	(105,002)	(111,713)
NET ASSETS		<u>786,123</u>	<u>850</u>	<u>786,973</u>	<u>780,212</u>
FUNDS	14				
Unrestricted funds				786,123	779,362
Restricted funds				850	850
TOTAL FUNDS				<u>786,973</u>	<u>780,212</u>

The notes form part of these financial statements

SWANSEA CITY MISSION & EDUCATIONAL TRUST

Statement of Financial Position - continued

At 31 March 2017

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2017.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 March 2017 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.

The financial statements were approved by the Board of Trustees on 16 October 2017 and were signed on its behalf by:

S. E. Cox

Miss S E Cox -Trustee



G Thomas -Trustee

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. 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.

Professional and planning fees in connection with a new development of the main property are treated as prepaid costs to the extent it is considered there is value to them and it is likely the development will go ahead. To the extent the costs are considered to hold no further future value, they are written off to the statement of financial activities. On completion of any development, the costs will be added to freehold cost.

Tangible fixed assets

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

Fixtures and fittings

- 10% on reducing balance

The land and buildings are maintained in good order. Owing to the fact that the property is likely to appreciate in value, it is considered inappropriate to charge annual depreciation on this asset.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

SWANSEA CITY MISSION & EDUCATIONAL TRUST

Notes to the Financial Statements - continued **for the year ended 31 March 2017**

2. OTHER TRADING ACTIVITIES

	31.3.17	31.3.16
	£	£
Shop & resource sales	415	105
	<u> </u>	<u> </u>

3. INVESTMENT INCOME

	31.3.17	31.3.16
	£	£
Deposit account interest	22	1
	<u> </u>	<u> </u>

4. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.3.17	31.3.16
	£	£
Depreciation - owned assets	1,700	1,900
	<u> </u>	<u> </u>

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2017 nor for the year ended 31 March 2016.

However, fees on a self-employed basis were paid to Helena Wilkinson. Please refer to note 15.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2017 nor for the year ended 31 March 2016.

6. STAFF COSTS

The average monthly number of employees during the year was as follows:

	31.3.17	31.3.16
Administrative and Management	5	6
General Assistants	3	5
Catering	2	2
General Assistants (casual)	8	8
	<u> </u>	<u> </u>
	18	21
	<u> </u>	<u> </u>

No employees received emoluments in excess of £60,000.

SWANSEA CITY MISSION & EDUCATIONAL TRUST

Notes to the Financial Statements - continued **for the year ended 31 March 2017**

7. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Totals £
COST			
At 1 April 2016	847,401	49,896	897,297
Additions	10,435	3,728	14,163
At 31 March 2017	857,836	53,624	911,460
DEPRECIATION			
At 1 April 2016	-	33,170	33,170
Charge for year	-	1,700	1,700
At 31 March 2017	-	34,870	34,870
NET BOOK VALUE			
At 31 March 2017	857,836	18,754	876,590
At 31 March 2016	847,401	16,726	864,127

The freehold property was last valued for insurance purposes at £2.45m in 2010.

8. STOCKS

	31.3.17 £	31.3.16 £
Stocks	500	500

9. DEBTORS

	31.3.17 £	31.3.16 £
Amounts falling due within one year:		
Tax	4,321	2,428
Amounts falling due after more than one year:		
Other debtors	22,780	15,872
Aggregate amounts	27,101	18,300

Other debtors due after more than one year comprise professional and planning fees relating to the proposed new development planned for 2019. The costs are categorised as debtors since they have a prepaid value on the basis that the Trustees are confident that the development will go ahead, and when completed these costs will be transferred to fixed asset freehold costs.

SWANSEA CITY MISSION & EDUCATIONAL TRUST

Notes to the Financial Statements - continued
for the year ended 31 March 2017

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.17	31.3.16
	£	£
Bank loans and overdrafts (see note 12)	8,216	8,216
Trade creditors	1,101	-
Social security and other taxes	544	-
VAT	930	2,519
Other creditors	2,000	2,000
Accrued expenses	1,311	525
	<u>14,102</u>	<u>13,260</u>

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

	31.3.17	31.3.16
	£	£
Bank loans (see note 12)	<u>105,002</u>	<u>111,713</u>

12. LOANS

An analysis of the maturity of loans is given below:

	31.3.17	31.3.16
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>8,216</u>	<u>8,216</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>32,863</u>	<u>32,863</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more 5 yr by instal	<u>72,139</u>	<u>78,850</u>

13. SECURED DEBTS

The following secured debts are included within creditors:

	31.3.17	31.3.16
	£	£
Bank loans	<u>113,218</u>	<u>119,929</u>

The bank loan is secured on the freehold property.

SWANSEA CITY MISSION & EDUCATIONAL TRUST

Notes to the Financial Statements - continued **for the year ended 31 March 2017**

14. MOVEMENT IN FUNDS

	At 1.4.16 £	Net movement in funds £	At 31.3.17 £
Unrestricted funds			
General fund	779,362	6,761	786,123
Restricted funds			
Share Capital by Guarantee	850	-	850
TOTAL FUNDS	<u>780,212</u>	<u>6,761</u>	<u>786,973</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	234,304	(227,543)	6,761
TOTAL FUNDS	<u>234,304</u>	<u>(227,543)</u>	<u>6,761</u>

15. RELATED PARTY DISCLOSURES

Miss H Wilkinson has received fees and expenses invoiced from her self-employment totalling £6,497 in the year to 31 March 2017. They are mainly included within "Speaker Fees" on the detailed breakdown of charitable expenditure. (£2,873 was received from her appointment as trustee in the period from 5 October 2015 to 31 March 2016).