

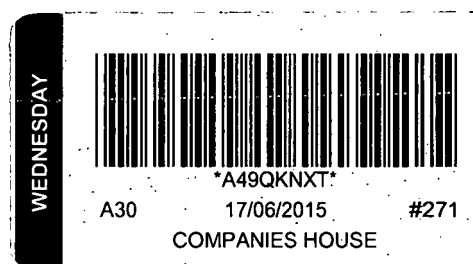
Financial Statements

For the year ended 31 December 2014

KESWICK CONVENTION TRUST

Company No: 3913741

Charity No: 1083584



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KESWICK CONVENTION TRUST – COMPANY LIMITED BY GUARANTEE

Reference information

ADDRESS: Keswick Convention Centre
Skiddaw Street
Keswick
Cumbria CA12 4BY

REGISTERED CHARITY NUMBER: 1083584

COMPANY REGISTRATION NO: 3913741

WORKING NAME: Keswick Ministries

GOVERNING DOCUMENT: Memorandum and Articles of Association

DIRECTORS: Mr S Adam, Treasurer
Mrs R Baughen
Rev Dr S Brady
Mr D Burnside
Mr J Chatfield
Mr D Gascoigne
Mr S Hale
Mrs E McQuoid
Rev A Paine
Mr J Risbridger, Chairman
Mr D Ryan
Rev Dr M Sleeman

CHIEF EXECUTIVE
& MINISTER AT LARGE Mr J Lamb

COMPANY SECRETARY: Mr S Overend

AUDITORS: Mazars LLP
The Lexicon
Mount Street
Manchester
M2 5NT

SOLICITORS: Anthony Collins Solicitors LLP
134 Edmund Street
Birmingham
B3 2ES

CHARITY OBJECTS: The Trust exists to promote Bible Teaching at an annual Convention in Keswick and on other occasions with the aim of encouraging holy and Biblical life styles.

BANKERS: HSBC plc, Market Square, Keswick, Cumbria, CA12 5BG

REPORT OF THE DIRECTORS

The Directors present their Annual Report and Financial Statements for the year ended 31 December 2014.

DIRECTORS AND OFFICERS

The following directors held office for the whole of the year to 31 December 2014:

Mrs R Baughen
Rev Dr S Brady
Mr D Burnside
Mr J Chatfield
Mr D Gascoigne
Mrs E McQuoid
Rev A Paine
Mr J Risbridger, Chairman
Mr D Ryan
Rev Dr M Sleeman

Mr S Adam and Mr S Hale were both appointed trustee directors on the 7th May 2014 and Steve Adam was also appointed as treasurer on that date.

Mr J Lamb resigned as a trustee on 8th May 2014 following his appointment as Chief Executive & Minister at Large on 5th May 2014.

Mr. Ian Sowerby retired as a trustee, under the constitution, on attaining the age of 70, on the 19th February 2014.

Mr G Smallman resigned as a trustee on 7th May 2014 due to other commitments.

The Directors are very grateful for the dedicated service and expertise that both Ian Sowerby and Godfrey Smallman have given to the ministry of the Keswick Convention Trust during their time as trustees.

The following have held senior management positions during the year:

Jonathan Lamb was appointed Chief Executive and Minister at Large on 5th May 2014 and Simon Overend was the Director of Operations and Company Secretary throughout the year.

STATUS

The Keswick Convention Trust is both a company limited by guarantee, not having a share capital, and a registered charity; it was incorporated as a company on 1 September 2001 when the assets and liabilities of the Keswick Convention Trust were transferred to the company.

APPOINTMENT OF DIRECTORS

Under the Trust Deed directors are to be known as Trustees. The Council of Management consists of the Trustees and it now meets twice a year, including an overnight meeting, to manage the Trust. Trustees serve for a term of three years; are re-electable for a maximum of a further three terms; and may remain in office until age 70 years.

Recruitment and appointment of new Trustees – new Trustees are appointed in accordance with the Charity's Memorandum and Articles of Association. The Keswick Convention Trust maintains a Trustees' matrix setting out the skills mix required to manage the Charity and plans successors based on the known retirement dates of Trustees.

REPORT OF THE DIRECTORS (continued)

ORGANISATIONAL STRUCTURE

New Trustees are required to follow an induction process which consists of being introduced to the operations of the Trust, attending one Council meeting before being formally appointed and, where appropriate, are offered formal training in their responsibilities.

A procedure for Trustee appraisal is in place and takes place during the final year of their three year term of appointment.

The charity operates from offices in its home town of Keswick, Cumbria. The team, headed by Jonathan Lamb and the Director of Operations, Simon Overend, together with a very active Council of Trustees, plan and organise the annual summer Convention and other areas of the charity's activities.

Other committees have been formed to support the Council: these are the Children & Youth, Development, Finance & General Purposes, Literature, and Programme and Site Committees. These are composed of some Council members, staff and some volunteers who have relevant experience and expertise. These committees are supported by a number of Working Groups that report to them. All major decisions are subject to Council's agreement.

During the year the Council created a new post of Chief Executive Officer and Minister at Large to be responsible for the development of the Convention, the wider work of Keswick Ministries, the use of our sites and our strategic partnerships.

RELATIONSHIPS WITH RELATED PARTIES

Partners - Keswick Ministries partners with different Christian organisations to help take forward its objectives, including the recording, broadcasting and publishing of the teaching given at the Keswick Convention.

Trading subsidiaries - Keswick Ministries has two trading subsidiaries to respectively manage the Rawnsley Centre car park and Crosthwaite campsite.

RISK POLICY

The Trustees regularly review the risks to which the charity is exposed, as identified, so that reasonable measures are taken to reduce and manage them and to provide insurance cover where this is possible. A risk review procedure is in place to identify the most significant risks and the Trustees check that appropriate remedial action has been taken. The Trustees are advised on Health and Safety issues by an external consultancy firm.

Trustees, staff and volunteers are instructed in the risk management policies that are appropriate to the work that they do. Expenditure is monitored and the financial situation is examined by the Hon. Treasurer on a monthly basis so as to manage financial risk. Local public relations issues are taken seriously and regular consultative meetings are held with representative bodies across the town.

Major risks – the Trustees receive a Risk Management report annually and the staff review this quarterly.

REPORT OF THE DIRECTORS (continued)

OBJECTIVES AND ACTIVITIES

The charity exists to promote Bible Teaching at an annual Convention in Keswick and on other occasions with the aim of encouraging holy and Biblical life styles.

In the pursuance of these objectives, the Trustees have -

- conducted the annual Convention for three weeks in the summer,
- held two Bible study weeks during the year in the Convention Centre,
- been engaged in development activities to promote similar events throughout the country and abroad,
- published books and study guides as a part of its activity

The aim of these events is to bring about life transforming encounters with God's Word which issue in practical Christian living.

Missionary Hospitality Fund – supports the cost of attendance of missionaries at the annual Convention and also the costs of those attending other Keswick Ministries mission related activities.

Volunteers – volunteers undertake a wide variety of practical tasks during the Convention (crèche, children and young adults work, provision for people with learning disabilities, stewards, catering, finance and reception teams).

The Trust relies on volunteer workers to a very large extent. During the annual Convention some 500 adults were engaged in this way.

Additionally the Trustees have sought to raise funds by letting property for local community activities at times when the premises are not needed for their charitable activities. They also permit the use of some of the charity's land in Keswick for a public car park which is operated by Allerdale Borough Council.

ACHIEVEMENTS, PERFORMANCE AND FUTURE PLANS

The 2014 Convention attracted large crowds, with over 12,000 people attending. The children's and youth programme successfully attracted and served large numbers, and the young adult tracks were also well received. BBC Radio 4 recorded Sunday Worship at the event. Week 3 was larger than ever, and the more festival feel of the week, coupled with the further development of Keswick Unconventional, represented a significant step forward in the development of the Convention.

The decision was made to post the mp3s of all teaching and training on the Keswick Ministries website, and this resulted in over 18,000 downloads. DVD and CD recordings were also sold through our partnership with Essential Christian.

All facilities of Keswick Ministries, both at Skiddaw Street and the Rawnsley site, were deployed to the maximum during the three weeks of the Convention, and the fact that there is no room for significant expansion has encouraged the Trustees to reflect on how plans for growth can be accommodated in the future. The Rawnsley buildings continue to be made available to other agencies during the year, as well as being a host venue for King's church. The deployment of the Skiddaw Street centre for visiting church and youth groups, as well as the management of the Rawnsley building, remains a significant staff responsibility throughout the year.

The summer event engaged over 500 volunteers, who enabled the Convention to be delivered safely and effectively. Training was provided for those leading children's and youth work, and safe-guarding checks were carried out with due efficiency, and with no incidents of concern during the event.

REPORT OF THE DIRECTORS (continued)

Financial offerings made at the event were well on budget and the resources that the charity needs have been secured through a combination of gifts made at the Convention, year round giving, and some income streams for the letting of our facilities to other agencies plus some car parking fees, as reported elsewhere in this document.

Substantial work has been done in making preparations for the 2015 event, and the building blocks for the 2016 and 2017 events have also been put in place. New plans have been put in place for strengthening provision for young adults at the event.

Keswick Ministries sustained its commitments in publishing, through the release of a Study Guide to coincide with the 2014 Convention theme, written by Elizabeth McQuoid. In addition, a new title in the Keswick Foundation series was produced, entitled 'Preaching Matters', by Jonathan Lamb. Sales at the Convention and subsequently have approached 2,000 for both titles. Additional plans were launched in publishing, and Elizabeth McQuoid was appointed to the staff on a part-time basis as Commissioning Editor for Keswick Ministries.

During the summer and autumn, the staff team introduced a number of changes, including: refreshing the brand of Keswick Ministries and re-defining our core priorities; preparing a promotional DVD for 2015; crafting first drafts of the new publishing material (including a book about the values of the Keswick movement, to be published at the 2015 Convention - the 140th anniversary) and the preparation of two further Foundation titles; the development of a facebook profile and presence; the establishment of a Development Committee; strengthening our website; updating our volunteer papers; and preparing new resources for the wider UK connection of 'Keswick' events. Staff continue to devote the bulk of their energies in the follow-up of the 2014 Convention and the preparations for the 2015 event.

A significant development has been the establishment of a Council sub group to explore the purchase of additional land in Keswick for the development of the organisation's objectives, and a great deal of work has been done in preparation for possible purchase, both in carrying out due diligence, and defining strategic priorities and anticipated outcomes for the development of the work in the years to come.

The staff also sustained and extended their work with other related events in the UK and around the world, and the CEO visited several UK 'Keswick' events, as well as speaking at the 75th anniversary of the Swedish-speaking Keswick Convention in Finland. Plans are underway for strengthening the network in the UK and further afield. This will remain an informal arrangement, with each UK 'Keswick' event and other international 'Keswicks' remaining autonomous and financially independent of Keswick Ministries.

The Council and staff remain committed to sustain the clear focus of the organisation around its primary charitable objectives, whilst also seeking to put in place the foundations for future growth.

REPORT OF THE DIRECTORS (continued)

FINANCIAL REVIEW

The income of Keswick Ministries is mainly from voluntary donations made from those who support and attend the Convention and its financial viability is dependent on this. Once again we are grateful to God for the financial provision in the year under review and to the many thousands who have given generously, in another year of economic difficulty in the UK.

The financial results are set out in the Statement of Financial Activities on page 11.

Total incoming resources amounted to £1,148,264 compared to a previous year's total of £1,189,604.

Voluntary income was just slightly reduced from the previous year's substantial and unprecedented increase. The numbers of people attending the Convention continued to be high, with the need for overflow facilities at Rawnsley and in St. John's Church. Legacies of £50,587 (2013 - £26,411) were received during the year.

The return of the car park, following its use by United Utilities for the essential flood defence work for the town, has enabled its promotion once again and the income increased from £38,000 to £52,000. However, with the return of the car park, the compensation received was minimal.

Investment income increased during the year to £12,649 (2013 - £7,708). The charity continues to invest in a spread of suitable accounts that offer a reasonable rate of interest at today's standard, whilst providing appropriate security of funds.

Total resources expended in the year amounted to £1,125,033, compared to £1,052,521 in the previous year. An analysis of the costs is shown in the Notes to the Financial Statements on pages 14 and 15.

There were two main changes in costs this year; those of development activity and the main marquee. After its many years of use, the main marquee, which seats 3,000 people, needed to be repaired with a replacement roof because the old one was increasingly springing leaks and also because the structural repair maintained its safety to the users. This was an expensive repair and increased the normal annual costs of that marquee from £15,000 to £86,000. The appointment of a Chief Executive for the first time in the 140 year history of the Convention brought many new development ideas to be explored for the future. Development costs were £89,000 compared to the previous year's £40,000.

The Restricted Funds at the year end, amounting to £31,071 (2013 - £28,565), relate entirely to the Missionary Hospitality Fund, which enables the support of missionaries who benefit from attending the Convention. This fund made possible the attendance of 60 adults and 33 children and young people this year, at a cost of £20,652.

The excess of unrestricted incoming resources over outgoings was £20,725 which consisted of a reduction of £117,307 in designated reserves and an increase in general reserves of £138,032 before transfers. A transfer of £83,000 was made to the Fabric and Refurbishment Designated Fund in light of in year expenditure.

Once again the Trustees are thankful for the continuing high numbers attending the annual Convention and for their generosity in both prayer and giving, together with their time given voluntarily, which enabled the year's ministry costs to be borne out of the income for the year.

The designated reserves are shown and explained in note 13 and are also referred to below under Reserves Policy. They include £300,000 for marquee renovation or replacement and £80,000 for replacement of fabric and refurbishment.

The Trustees' financial objective is to raise sufficient funds to meet the cost of the Trust's activities and also to have funds for maintaining and developing the activities.

REPORT OF THE DIRECTORS (continued)

ASSOCIATED ACTIVITIES

The Directors permit a bookshop to operate during the Convention selling sympathetic Christian literature. This provides a source of rental income, and royalties are received from the sale of recordings and books.

The company owns the entire share capital of Keswick Convention Projects Limited, a company that operates a campsite in the neighbourhood during the Convention and this made a profit of £3,002 on ordinary activities. This has enabled the subsidiary to accrue for a charitable gift of £3,298 to the Company, leaving a small deficit of £295 before and after tax.

The company also owns the entire share capital of Keswick Convention Projects (Rawnsley) Limited, a trading company that operates car parking facilities at Rawnsley Centre and this broke even after paying rent to the Convention.

Consolidated financial statements have not been prepared on the grounds that the results of the subsidiary undertakings would not be material to the group financial statements.

DONATIONS AND LEGACIES

The activities of the charity are financed almost entirely by voluntary gifts throughout the year, offerings taken at the Convention and legacies. We gratefully acknowledge the many unrecorded gifts of time and expertise given by so many during the course of the year, without which our operating costs would increase greatly.

During Convention, offerings were taken for TEARfund totalling £41,817. As Keswick Ministries was acting as agent for these offerings these transactions are excluded from the Financial Statements.

RESERVES POLICY

The directors have agreed a reserves policy designed to achieve or maintain adequate funds to cover the net book value of fixed assets (£950,485) and replacement and upgrading of fixed assets (£380,000) which, even allowing for the marquee roof repair this last year, still leaves an ageing marquee. For an explanation of the designated funds see note 13 to the financial statements.

In addition to the designated funds, the Trustees have considered the required level of funds for working capital, given the cyclical nature of the cash flow, development planning and economic environment. The Trustees hold the view that the unrestricted general fund of £651,956 is appropriate to this stage of the Convention's development, given the voluntary nature of most of the income. Reference has been made earlier in this report, to the increased development costs in the year under review and the development objectives mentioned will require funding.

TANGIBLE FIXED ASSETS

The assets and related depreciation, including rates of depreciation are set out in note 7.

PUBLIC BENEFIT

The Trustees have considered the public benefit guidance issued by the Charity Commission together with the supplemental guidance on the application of the public benefit test to charities whose aims include advancing religion. The Trustees are aware of their legal duty to have regard to the public benefit guidance and to report on this charity's compliance with the public benefit obligation.

REPORT OF THE DIRECTORS (continued)

The physical and spiritual refreshment gained by those who attend the Convention provides a direct public benefit by the deepening of the spiritual life of the individuals and, through the individuals, their church communities and, through those church communities, the wider communities in which the churches are set. These benefits are directly related to the aims of the charity and the Trustees are conscious of the need, so far as they are able, to balance the delivery of the benefits against any possible detriment or harm.

Since the main Convention event is open to the public and no charge is made for attendance at the overwhelming majority of the programme, there is the widest possible reach from the charity's activities. Because there is no fee, those in poverty are not excluded from the opportunity to benefit as they can attend the meetings at no charge. The Trustees are conscious of the need to ensure that any private benefits are only incidental.

The work of the charity through the year in offering assistance and guidance to similar Conventions and meetings elsewhere has the effect of spreading the public benefit even wider.

INVESTMENT POLICY

The directors have powers to invest surplus funds in investments, securities and properties as they think fit, subject to the provisions of any relevant legislation. During the year the Trustees have considered the investment policies, especially in the light of the low interest rates being paid. Given the active consideration that is being given to the timing of some of the major costs noted in the above Reserves Policy, surplus funds are invested in a mix of Term and Instant Access bank deposits. Social, environmental and ethical considerations are considered in selecting the banks at an appropriate level of risk.

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. In preparing those accounts, the directors are required to:

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

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 accounts comply with the Companies Act 2006. 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.

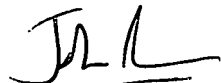
The directors also confirm that as far as they are aware there is no relevant audit information of which the charity's auditors are unaware and they have taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

REPORT OF THE DIRECTORS (continued)

AUDITORS

A resolution to re-appoint Mazars LLP as auditors to the Company will be proposed at the forthcoming Annual General Meeting.

By order of the Directors



J. Risbridger

12th May 2015

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KESWICK CONVENTION TRUST

We have audited the financial statements of Keswick Convention Trust for the year ended 31 December 2014 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' Responsibilities Statement set out on page 8, the trustees (who are also the directors of the charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors. This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 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 charity and the charity's members as a body for our audit work, for this report, or for the opinions we have formed.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at <http://www.frc.org.uk/auditscopeukprivate>.

OPINION ON THE FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.


OPINION ON THE OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime.


Janine Fox (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
The Lexicon, Mount Street, Manchester, M2 5NT

Date: 19 May 2015

KESWICK CONVENTION TRUST – COMPANY LIMITED BY GUARANTEE

Statement of Financial Activities (including income and expenditure account) For the year ended 31 December 2014

	Note	Designated £	Unrestricted Funds General £	Total £	Restricted Funds £	Total 2014 £	Total 2013 £
INCOME AND EXPENDITURE							
INCOMING RESOURCES							
Incoming resources from generated funds:							
Voluntary income	2	-	890,046	890,046	23,158	913,204	929,579
Activities for generating funds		-	132,259	132,259	-	132,259	147,077
Investment income		-	12,649	12,649	-	12,649	7,708
Incoming resources from charitable activities		-	90,152	90,152	-	90,152	105,240
TOTAL INCOMING RESOURCES		-	1,125,106	1,125,106	23,158	1,148,264	1,189,604
RESOURCES EXPENDED							
Cost of generating funds:							
Cost of generating voluntary income	3	-	12,190	12,190	-	12,190	11,718
Cost of activities for generating funds	3	13,723	127,143	140,866	-	140,866	158,213
Charitable activities:							
Annual Convention costs	4	96,723	693,845	790,568	20,652	811,220	748,385
Cost of income generated from charitable activities	4	6,861	42,526	49,387	-	49,387	50,256
Cost of development activity	4	-	89,451	89,451	-	89,451	39,766
Governance costs	5	-	21,919	21,919	-	21,919	44,183
TOTAL RESOURCES EXPENDED		117,307	987,074	1,104,381	20,652	1,125,033	1,052,521
MOVEMENT IN TOTAL FUNDS FOR THE YEAR – NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS							
		(117,307)	138,032	20,725	2,506	23,231	137,083
Transfers between funds		83,000	(83,000)	-	-	-	-
NET MOVEMENT IN FUNDS		(34,307)	55,032	20,725	2,506	23,231	137,083
Balances brought forward 1 January 2014		1,364,792	596,924	1,961,716	28,565	1,990,281	1,853,198
Balances carried forward 31 December 2014		1,330,485	651,956	1,982,441	31,071	2,013,512	1,990,281

The statement of financial activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.

KESWICK CONVENTION TRUST – COMPANY LIMITED BY GUARANTEE

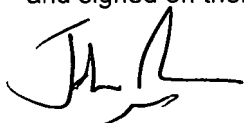
Balance Sheet As at 31 December 2014

Company number: 3913741

		2014 £	2013 £
Fixed assets			
Tangible assets	7	950,485	984,792
Investments in group undertakings	8	5	5
Other investments	9	883,919	621,892
		<u>1,834,409</u>	<u>1,606,689</u>
Current assets			
Debtors and prepayments	10	52,770	75,234
Cash at bank and in hand		233,555	343,259
		<u>286,325</u>	<u>418,493</u>
Creditors: amounts falling due within one year	11	<u>(107,222)</u>	<u>(34,901)</u>
Net current assets		<u>179,103</u>	<u>383,592</u>
Net assets		<u>2,013,512</u>	<u>1,990,281</u>
Funds			
Unrestricted			
- Designated	13,14	1,330,485	1,364,792
- General	13,14	651,956	596,924
		<u>1,982,441</u>	<u>1,961,716</u>
Restricted	12,14	31,071	28,565
Total funds		<u>2,013,512</u>	<u>1,990,281</u>

These financial statements have been prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies.

Approved by the directors on 12th May 2015
and signed on their behalf by



J. Risbridger

**Notes to the Financial Statements
For the year ended 31 December 2014**

1. Accounting policies

a. Accounting convention

The accounts are prepared under the historical cost convention in accordance with applicable accounting standards, the Companies Act 2006 and Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005) issued in March 2005.

b. Going concern

The company's business activities, its performance and position are set out in the Directors' report on pages 2 to 9.

The company's forecasts and projections show that the company should be able to operate within the working capital facilities available to it.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. They therefore continue to adopt the going concern basis of accounting in preparing the annual financial statements.

c. Incoming Resources

Voluntary income consists of gifts, offerings, legacies and related Gift Aid claims.

Incoming resources, which are made for a specific purpose, are accounted for within a restricted fund.

Income is recognised in the year in which the company is entitled to receipt and the amount can be measured with reasonable certainty. In accordance with this policy, legacies are included when the company is advised by the personal representative of an estate that payment will be made and the amount can be quantified.

d. Resources expended

Includes all expenditure directly relating to the objects of the charity (in accordance with SORP 2005), included on an accruals basis, inclusive of any VAT, which cannot be recovered, and on the following basis:

Wherever possible, costs are allocated to headings in the Statement of Financial Activities on an actual basis. Salaries and pension costs are allocated on the basis of time spent on each activity. Depreciation is spread on the basis of the book value of the assets utilised within each activity. Other costs are allocated on the basis of time.

Costs of income generated from charitable activities relate to costs incurred in relation to Bible Weeks and literature for sale or distribution.

Governance costs relate to those costs incurred in the general running of the charity and in meeting its statutory obligations.

e. Cash flow statement

The company qualifies as a small company under the terms of the Companies Act 2006. As a consequence, in accordance with FRS 1 (Revised), it is exempt from the requirement to publish a cash flow statement.

**Notes to the Financial Statements
For the year ended 31 December 2014**

Continued

f. Fixed assets

Fixed assets are shown at original cost or, if donated, at their value on the date of the gift less accumulated depreciation. Depreciation is calculated to write off the cost less estimated residual value of fixed assets over their estimated useful life.

The minimum capitalisation level is £1,000.

g. Fund accounting

The directors have set aside designated sums forming part of the charity's unrestricted funds to be used for particular purposes in the future, as outlined in note 13.

Restricted funds are subject to specific restrictive conditions imposed by donors or by the nature of the appeal. The purpose and use of the restricted funds are set out in note 12.

h. Investments

Investments held as fixed assets are stated at cost less provision for any permanent diminution in value.

2. Voluntary income

Voluntary income relates to donations together with legacies of £50,587 (2013 - £26,411).

3. Costs of generating funds

	Cost of generating donations 2014 £	Cost of generating fundraising income 2014 £	Total 2014 £	Total 2013 £
Salaries	8,870	46,684	55,554	55,049
Rawnsley Centre running costs	-	34,234	34,234	42,858
Centre running costs	-	32,988	32,988	37,196
Insurance	-	7,244	7,244	6,876
Professional fees	-	-	-	4,136
Other costs	1,880	5,993	7,873	8,773
Website	1,440	-	1,440	989
Depreciation	-	13,723	13,723	14,054
	<u>12,190</u>	<u>140,866</u>	<u>153,056</u>	<u>169,931</u>

**Notes to the Financial Statements
For the year ended 31 December 2014**

Continued

4. Charitable activities

	Annual convention costs 2014 £	Cost of income generated from charitable activities 2014 £	Development costs 2014 £	Total 2014 £	Total 2013 £
Salaries	81,576	13,061	30,256	124,893	133,429
Costs of volunteers and preachers	114,675	-	-	114,675	119,373
Special activities – youth, children, Exhibition, special needs, etc	192,714	-	-	192,714	202,288
Direct costs & overheads of convention	378,671	-	-	378,671	289,306
Hospitality for Missionaries	20,652	-	-	20,652	30,620
Cost of goods and services for sale	-	20,967	3,300	24,267	22,756
Bible Weeks costs	-	4,876	-	4,876	4,647
Grants to other charities	1,100	-	-	1,100	-
Development expenses	-	-	55,895	55,895	1,507
Professional fees	865	-	-	865	3,087
Insurance	7,244	3,622	-	10,866	10,312
Depreciation	13,723	6,861	-	20,584	21,082
	<u>811,220</u>	<u>49,387</u>	<u>89,451</u>	<u>950,058</u>	<u>838,407</u>

5. Governance costs

	2014 £	2013 £
Salaries and fees	11,562	33,949
Meeting expenses	3,557	3,034
Audit fee	6,800	7,200
	<u>21,919</u>	<u>44,183</u>

**Notes to the Financial Statements
For the year ended 31 December 2014**

Continued

6. Staff costs and directors' remuneration

	2014 £	2013 £
Wages and salaries	176,433	202,492
Social Security costs	12,682	16,980
Pension contributions	2,895	2,995
	<u>192,010</u>	<u>222,467</u>

The Trust operates a defined contribution pension scheme.

No employee earned £60,000 per annum or more.

The average number of full time equivalent employees was 8 (2013 – 8).

	2014 £	2013 £
Trustee Director's remuneration	<u>7,216</u>	<u>7,006</u>

Expenses of £5,153 (2013 - £4,796) were reimbursed to 11 (2013 – 10) directors for travel and meeting expenses in the year.

Mr D Ryan, a trustee director, received remuneration of £7,216 (2013 - £7,006), under an employment contract, in respect of accountancy services.

Mrs E McQuoid, a trustee director, received remuneration of £1,667 under an employment contract commencing on 1st November 2014, in respect of Commissioning Editor services.

Authority for the trustee directors' employment is contained within the constitution of the charity.

No other trustee director received any remuneration in respect of their services as a Trustee of the charity.

Mr. J Lamb resigned as a trustee director on 8th May 2014, on his appointment as CEO and Minister at Large of the charity. He received remuneration of £28,583 during the period subsequent to his appointment.

**Notes to the Financial Statements
For the year ended 31 December 2014**

Continued

7. Fixed assets

	Freehold land & buildings School £	Centre £	Equipment & Furniture £	Total £
COST				
At 1 January 2014	548,633	977,427	121,078	1,647,138
Additions	-	-	-	-
At 31 December 2014	<u>548,633</u>	<u>977,427</u>	<u>121,078</u>	<u>1,647,138</u>
DEPRECIATION				
At 1 January 2014	170,078	381,959	110,309	662,346
Charge for the year	10,973	19,549	3,785	34,307
At 31 December 2014	<u>181,051</u>	<u>401,508</u>	<u>114,094</u>	<u>696,653</u>
NET BOOK VALUE				
At 31 December 2014	<u>367,582</u>	<u>575,919</u>	<u>6,984</u>	<u>950,485</u>
At 31 December 2013	<u>378,555</u>	<u>595,468</u>	<u>10,769</u>	<u>984,792</u>
Rate of depreciation	2% straight line	2% straight line	30% reducing balance	

8. Investments

	2014 £	2013 £
Wholly owned subsidiary:		
Keswick Convention Projects Limited	3	3
Keswick Convention Projects (Rawnsley) Limited	2	2
	<u>5</u>	<u>5</u>

Keswick Convention Projects Limited, a company engaged in carrying out projects in connection with the Keswick Convention, and Keswick Convention Projects (Rawnsley) Limited, a company engaged in carrying out trading activities in support of the Keswick Convention, are both wholly owned trading subsidiaries, and incorporated in England. All shares held are ordinary £1 shares.

The aggregate share capital and reserves of Keswick Convention Projects (Rawnsley) Limited is £6 and its turnover for the year was £57,719, resulting in neither profit nor loss. United Utilities returned the site to the subsidiary company shortly before the start of the year, having completed their flood protection work.

**Notes to the Financial Statements
For the year ended 31 December 2014**

Continued

Keswick Convention Projects Limited aggregate share capital and reserves at 31 December 2014 was £5,870 and its turnover for the year was £21,342, resulting in a net profit before tax and donations to the parent company of £3,002.

Consolidated financial statements have not been prepared on the grounds that the results of the subsidiary undertakings would not be material to group financial statements.

9. Other investments

	2014 £	2013 £
UK quoted	2,715	2,715
Bank term deposits	881,204	619,177
	<u>883,919</u>	<u>621,892</u>

10. Debtors and prepayments

	2014 £	2013 £
Payments in advance	32,700	41,737
Prepayments and accrued income	17,231	33,497
Amounts owed by group undertakings	2,839	-
	<u>52,770</u>	<u>75,234</u>

11. Creditors and accruals

	2014 £	2013 £
Trade creditors	14,790	1,761
Other taxes and social security	3,302	3,147
Accrued expenses	89,130	29,993
	<u>107,222</u>	<u>34,901</u>

12. Restricted funds

	Balance 1 January 2014 £	Movement in Incoming 2014 £	Resources Outgoing 2014 £	Balance 31 December 2014 £
Missionary Hospitality Fund	<u>28,565</u>	<u>23,158</u>	<u>(20,652)</u>	<u>31,071</u>

**Notes to the Financial Statements
For the year ended 31 December 2014**

Continued

The Missionary Hospitality Fund was established to receive gifts in order that accommodation can be provided and grants can be given enabling Missionaries to attend the Convention and other Keswick Ministries mission related activities, together with associated administration costs.

Restricted funds are held in liquid assets.

13. Unrestricted funds

	Balance 1 January 2014 £	Movement in Resources			Balance 31 December 2014 £
		Incoming 2014 £	Outgoing 2014 £	Transfers 2014 £	
Designated funds					
Fixed Asset Fund	984,792	-	(34,307)	-	950,485
Marquee Replacement Fund	300,000	-	-	-	300,000
Fabric & Refurbishment Fund	80,000	-	(83,000)	83,000	80,000
General Fund	596,924	1,125,106	(987,074)	(83,000)	651,956
	<u>1,961,716</u>	<u>1,125,106</u>	<u>(1,104,381)</u>	<u>-</u>	<u>1,982,441</u>

The Fixed Asset Fund represents the total amounts invested, from general funds and special appeals in the past, in fixed assets less depreciation.

The Marquee Replacement Fund represents amounts of the general fund set aside to replace the Convention Marquee.

The Fabric and Refurbishment Fund represents amounts of the general fund set aside to replace worn out equipment and furnishings.

14. Analysis of net assets between funds

	Tangible fixed assets and investments £	Net current assets £	Total £
Restricted funds:			
Missionary Hospitality Fund	2,715	28,356	31,071
Unrestricted funds	1,831,694	150,747	1,982,441
	<u>1,834,409</u>	<u>179,103</u>	<u>2,013,512</u>

**Notes to the Financial Statements
For the year ended 31 December 2014**

Continued

15. Related party transactions

Keswick Convention Projects (Rawnsley) Limited is a wholly owned subsidiary of Keswick Convention Trust. For the year ended 31 December 2014 Keswick Convention Projects (Rawnsley) Limited was charged rent of £52,353 (2013 - £38,484) by Keswick Convention Trust, of which £2,839 (2013 £Nil) remained outstanding as at the year end.

At the year end a provision has been made for the payments of a charitable donation in Keswick Convention Projects Ltd's accounts to Keswick Convention Trust for the sum of £3,298. Keswick Convention Projects Limited is a wholly owned subsidiary of Keswick Convention Trust. Keswick Convention Trust incurred no expenses on behalf of the subsidiary.