

# **Avery Hill Charitable Trust**

(A Company Limited by Guarantee)

## **Report and Financial Statements**

**Year Ended: 28<sup>th</sup> February 2006**



**Charity Number: 1103393**  
**Company Number: 5039769**

## **Avery Hill Charitable Trust**

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# **Avery Hill Charitable Trust**

## **Legal and administrative information**

### **Status**

The organisation is a charitable company limited by guarantee, incorporated on 10<sup>th</sup> February 2004 and registered as a charity on 26<sup>th</sup> April 2004. Church activities are carried on under the name of Avery Hill Christian Fellowship.

The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. Under those Articles, each year one third of the Trustees are to retire and be available for election at the AGM.

### **Trustees and Directors**

Mr P Piper, Chair  
Mr M Barnes  
Mrs M Day  
Mrs D Hutchinson

### **Registered Office and Church Premises**

Southspring, Sidcup, Kent DA15

### **Reporting Accountants**

Stephen Mathews, Stewardship, PO Box 99, Loughton, Essex, IG10 3QJ

### **Bankers**

Abbey  
PO Box 10102, 21 Prescott Street, London, E1 8TN

### **Solicitors**

Watts and Leading, 401 Footscray Road, New Eltham, London, SE9 2DR

# **Avery Hill Charitable Trust**

## **Report of the Trustees for the year ended 28<sup>th</sup> February 2006**

The trustees present their report and the financial statements for the year ended 28<sup>th</sup> February 2006.

### **Activities**

The company is a charity and exists to advance the Christian Faith throughout the world generally including the worship of God, the instruction and edification of Christians, the care and Christian instruction of young people and children and the evangelisation of non-Christians. In addition the charity exists to relieve poverty, hardship, sickness and distress among all peoples of the world, promote education and training and to support such other charities and charitable purposes as the Trustees shall decide. To achieve these objects the charity undertakes a number of activities.

### **Organisation**

A board of trustees of four people who meet on a regular basis administer the charity. Two congregational leaders were appointed by the trustees to manage the day to day operations of the charity. During the course of the financial year the congregational leaders gave notice of their intention to resign their position with effect from [ ] April 2006. The Trustees plan to seek a replacement congregational leader in due course.

### **Results**

The net incoming resources for the year amounted to £13,991 of which £574 was from the outflow from restricted activities and £14,564 was the amount attributable to general reserves, which now stands at £36,718.

### **Work of the Congregation**

The congregation meets at Avery Hill Christian Fellowship, Southspring, Sidcup on the Avery Hill estate. Worship meetings are held twice on a Sunday with weekly bible study and prayer meetings held at the church or in smaller groups in homes around the locality. Sunday school and young peoples group also operates on a Sunday morning. During the week there are clubs for young people and the elderly held at the church premises.

### **Support for other Charities**

The organisation supports two main charities whose operations meet the objects of the charity. XLP is a charity based in South East London and provides support for young people. The second charity supported is iNet, which provides financial and spiritual advice and information to a number of missionaries based overseas.

### **Future Strategy**

The charity plans to continue the activities outlined above in the forthcoming years subject to satisfactory funding arrangements.

### **Reserves Policy**

The Trustees consider that unrestricted funds not committed or invested in tangible assets ("the free reserves") held by the charity should be in the order of three months salary, rent and other church expenses, approximately £6,000. As at the 28<sup>th</sup> February free reserves were significantly above this amount and are expected to reduce in the future.

# Avery Hill Charitable Trust

## Investment Policy

The Trustees have considered the most appropriate policy for investing funds and consider that short-term deposits meet the requirement to provide income without restricting access to the funds

## Risk Review

The Trustees have conducted its own review of the major risks to which the charity is exposed and systems designed to mitigate those risks. The risk of significant shortfall in funding is mitigated by the reserving policy. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

## Responsibilities of the Trustees

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the Trustees should follow best practice and:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue on that basis.

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 to enable them to ensure that the financial statements comply with the Companies Act 1985. The Trustees 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.

## Members of the board of Trustees

Trustees, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 1.

This report has been prepared in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities issued in October 2000 and in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities.

Approved by the board of Trustees on 12th December 2006 and signed on its behalf by:



Mr P Piper (Trustee)

# **Avery Hill Charitable Trust**

## **ACCOUNTANT'S REPORT TO THE MEMBERS ON THE UNAUDITED ACCOUNTS OF AVERY HILL CHARITABLE TRUST**

I report on the accounts for the period ended 28 February 2006 set out on pages 5 to 9.

### **Respective responsibilities of the directors and reporting accountants**

As described on page 6 the Trustees as Directors of the company are responsible for the preparation of the accounts and they consider that the company is exempt from an audit. It is my responsibility to carry out procedures to enable me to report my opinion.

### **Basis of opinion**

My work was conducted in accordance with the Statement of Standards for Reporting Accountants and so my procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as I considered necessary for the purpose of this report. These procedures provide only the assurance expressed in my opinion.

### **Opinion**

In my opinion:-

- (a) The accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985;
- (b) Having regard only to, and on the basis of, the information contained in those accounting records:-
  - (i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act, and
  - (ii) the company satisfied the conditions for exemption from an audit of the accounts for the year specified in section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).

  
Stephen Mathews FCA

For and on behalf of:  
Stewardship  
PO Box 99  
Loughton  
Essex IG10 3QJ

10 January 2007

# Avery Hill Charitable Trust

## Statement of Financial Activities (Including Income and Expenditure account) for the inaugural year ended 28<sup>th</sup> February 2006

	Notes	Unrestricted Funds	Restricted Funds	Restricted Funds	Total Funds 2006	Total Funds 2005
<b>Incoming Resources</b>						
Donations	2	107,529	4,564	-	112,093	92,938
Activities to further the charity's objects	3	-	-	-	-	8,514
Investment income	4	955	-	-	955	364
Other incoming resources	5	-	957	-	957	727
<b>Total Incoming Resources</b>		<b>108,484</b>	<b>5,521</b>	<b>-</b>	<b>114,005</b>	<b>102,543</b>
<b>Resources Expended</b>						
Charitable expenditure:						
Grants payable	6	28,985	4,813	-	33,798	19,723
Church expenditure	7/8	64,305	1,281	-	65,586	56,604
Management & admin		630	-	-	630	999
<b>Total Resources Used</b>		<b>93,920</b>	<b>6,094</b>	<b>-</b>	<b>100,014</b>	<b>77,326</b>
<b>Net Income for the Year</b>	9	<b>14,564</b>	<b>(574)</b>	<b>-</b>	<b>13,991</b>	<b>25,217</b>
<b>Total Funds at 10/2/04</b>		<b>22,156</b>	<b>3,061</b>	<b>-</b>	<b>25,217</b>	<b>-</b>
<b>Total Funds at 28/2/05</b>		<b>36,718</b>	<b>2,487</b>	<b>-</b>	<b>39,207</b>	<b>25,217</b>

# Avery Hill Charitable Trust

## Balance Sheet as at 28<sup>th</sup> February 2006

	Notes	£	2006 £	2005 £
<b>Current Assets</b>				
Prepayments		783		600
Cash at bank		<u>40,893</u>		<u>27,218</u>
		41,676		27,818
<b>Creditors: amounts falling due within one year</b>				
Accruals		<u>(2,469)</u>		<u>(2,601)</u>
<b>Net Current Assets</b>			39,207	25,217
<b>Net Assets</b>	10		<u>39,207</u>	<u>25,217</u>
<b>Unrestricted Funds</b>				
General Fund			36,721	22,156
<b>Restricted Funds</b>			2,486	3,061
<b>Total Funds</b>	11		<u>39,207</u>	<u>25,217</u>

In preparing these accounts:

(a) The Trustees are of the opinion that the company is entitled to the exemption from audit conferred by Section 249 A(1) of the Companies Act 1985;

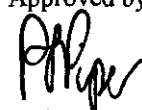
(b) No notice has been deposited under Section 249B(2) of the Companies Act 1985; and

(c) The Trustees acknowledge their responsibilities for:

- (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its surplus or deficit for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

These accounts are prepared in accordance with the special provisions of part VII of the Companies Act 1985 relating to small entities.

Approved by the board of Trustees on 12<sup>th</sup> December 2006 and signed on its behalf by:



P Piper  
Trustee



# Avery Hill Charitable Trust

## Notes forming part of the financial statements for the year ended 28<sup>th</sup> February 2006

### 1. Accounting policies

- a) The financial statements have been prepared under the historical cost convention in accordance with the Companies Act 1985 and follow the recommendations in *Accounting and Reporting by Charities: Statement of Recommended Practice* issued in October 2000.
- b) Income is received by way of donations and gifts and is included in full in the Statement of Financial Activities in the year in which they are receivable.
- c) Incoming resource from investment income is included when receivable.
- d) Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT, which cannot be recovered.
- e) Items of equipment are capitalised where the purchase price is above £2,500.
- f) Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds
- g) Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure, which meets these criteria, is charged to the fund.

### 2. Donations

	Unrestricted	Restricted	2006 Total	2005 Total
	£	£		£
Church giving	107,529	4,544	112,073	87,267
Donations and appeals	-	20	20	2,142
Grants from churches	-	-	-	3,529
<b>Total</b>	<b>107,529</b>	<b>4,564</b>	<b>112,093</b>	<b>92,938</b>

### 3. Activities to further the charity's objects

	2006	2005
	£	£
Hall lettings	-	685
House party fees	-	6,569
Special events	-	1,260
<b>Total</b>	<b>-</b>	<b>8,514</b>

All the income arising from the above is considered to be restricted.

## Avery Hill Charitable Trust

### 4. Investment income

Investment income comprises interest on deposit with the charity's bankers totalling £955 (£364 in 2005).

### 5. Other incoming resources

Other incoming resources during the year consist of appeals made in relation to the support of an orphanage in Zambia (£485) and to part fund medical expenses in Bulgaria (£471).

### 6. Grants payable

	Unrestricted	Restricted	2006 Total	2005 Total
	£	£		£
Gifts to missionaries	7,300	4,300	11,600	10,370
Gifts to church	-	-	-	3,529
Gifts to charities	16,400	52	16,452	5,824
Gifts to individuals	5,285	461	5,746	5,746
<b>Total</b>	<b>28,985</b>	<b>4,813</b>	<b>33,798</b>	<b>19,723</b>

Gifts to missionaries comprise the support of two families, one in Bulgaria and the other in Lebanon. In addition the charity supports iNet, a charity set up to support missionary families around the world.

Gift to charities chiefly comprise the support of XLP who supply the charity with a part time youth worker.

The gifts to individuals included £4,600 in financial support to a close family relative of Mrs Day, a Trustee, who took no part in the decisions on the gifts.

### 7. Church expenditure

	Unrestricted	Restricted	2006 Total	2005 Total
	£	£		£
People	44,430	-	44,430	26,347
Church premises	14,139	-	14,139	17,254
Overheads	3,825	-	3,825	3,416
Other	1,911	1,281	3,192	9,587
	<b>64,305</b>	<b>1,281</b>	<b>65,586</b>	<b>56,604</b>

Other costs comprise children/youth work, evangelistic and other events.

## Avery Hill Charitable Trust

### 8. Staff costs and trustee remuneration

The number of employees at the end of the year was 3. Two of which were employed on a full time basis and one on a part time basis.

	2006	2005
		£
Salaries	38,233	21,416
Social Security Costs	3,359	1,744
<b>Total</b>	<b>41,592</b>	<b>23,160</b>

The Trustees were not paid or reimbursed for expenses during the year.

### 9. Net income for the year

This is stated after charging:

	2006	2005
		£
Reporting Accountants' fee	450	999

### 10. Analysis of net assets between funds

	General Funds	Designated Funds	Restricted Funds	Total Funds
	£	£	£	£
Prepayment	783	-	-	783
Cash at Bank	38,407	2,486	-	40,893
Accruals	(2,469)	-	-	(2,469)
<b>Total</b>	<b>36,721</b>	<b>2,486</b>	<b>-</b>	<b>39,207</b>

### 11. Movement in funds

Restricted Funds	At 28/2/05	Incoming Resources	Outgoing Resources	At 28/2/06
	£	£	£	£
Collection for Bibles	53	-	53	-
Gifts to Christian Workers	130	-	130	-
Community Projects	1,175	-	-	1,175
Humanitarian	-	1,445	1,342	103
Minibus	1,346	20	270	1,096
Support for Missionaries	357	4,055	4,300	112
<b>Total</b>	<b>3,061</b>	<b>5,520</b>	<b>6,095</b>	<b>2,486</b>