

# **Avery Hill Charitable Trust**

(A Company Limited by Guarantee)

## **Report and Financial Statements**

**Year Ended 28<sup>th</sup> February 2018**



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

# **Avery Hill Charitable Trust**

<b>Contents</b>	<b>Page</b>
Report of the Trustees	1
Reference and administrative information	
Structure, governance and management	
Objectives and activities	
Achievements and performance	
Financial review	
Plans for future periods	
Trustees' responsibilities in relation to the financial statements	
Independent examiner	
Report of the Independent Examiner	5
Statement of financial activities	6
Balance Sheet	7
Notes forming part of the financial statements	8

# **Avery Hill Charitable Trust**

## **Report of the trustees for the year ended 28<sup>th</sup> February 2018**

The trustees are pleased to present their report together with the financial statements of the charity for the year ending 28<sup>th</sup> February 2018.

### **Reference and administrative information**

#### **Charity and Company Number**

Charity number: 1103393

Company Number: 5039769

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

Southspring, Sidcup, Kent DA15 8EA

#### **Trustees and Directors**

The directors of the charitable company (the charity) are its trustees for the purposes of charity law and throughout this report are collectively referred to as the trustees.

Mr P Piper, Chair

Ms L Adewole

Ms C Denwigwe (Resigned 5/12/17)

Mr M Barnes (Resigned 15/11/17)

Mrs W Taylor

Mrs A Walton (Appointed 22/5/18)

#### **Minister**

Mr D Williams

#### **Assistant Minister**

Mr A Masters

#### **Foodbank Manager**

Gill Bates

#### **Independent Examiner**

Jacob Farley, Stewardship, 1 Lamb's Passage, London, EC1Y 8AB

#### **Bankers**

Santander

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

### **Structure, Governance and Management**

Avery Hill Charitable Trust 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 out under the name of Avery Hill Christian Fellowship while that of the Foodbank under the name of Bexley Foodbank. The company was established under a Memorandum of Association, which set the objects and powers of the charitable company and is governed under its Articles of Association. Membership is open to those over 18 who subscribe to the Statement of Beliefs contained in the Memorandum and Articles of Association and are accepted by the Board of trustees. There are currently ten members (twelve in 2017) of the Company, each of whom agrees to contribute £1 in the event of the charity winding up.

In accordance with the Articles of Association the minimum number of Trustees is three. Each year one third of the Trustees are to retire and be available for election at the AGM. No person may be appointed a Trustee unless over the age of eighteen years of age and subscribes to the Statement of Beliefs. It is expected that new Trustees will be appointed from within the church. The board of trustees currently consist of three people who meet on a regular basis to administer the charity.

# **Avery Hill Charitable Trust**

In addition to the trustees who oversee the activities of the charity, a Leadership Team comprising seven people are responsible for the spiritual oversight and practical running of the church and Foodbank. Day to day activities are managed by Pastor Dave Williams aided by the assistant pastor and foodbank manager. Paid staff and volunteers also take responsibility for various aspects of the church.

## **Risk**

The Trustees have conducted their own review of the major risks to which the charity is exposed and systems designed to mitigate those risks. The biggest risk is considered to be a significant shortfall in donations from church members which 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 reviewed periodically to ensure that they still meet the needs of the charity.

## **Objectives and activities**

The company is a charity and exists to advance the Christian faith throughout the world 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.

The church meets at Southspring, on the Avery Hill estate in South East London. Worship meetings take place 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 a young people's group also operate on a Sunday morning. During the week there are clubs for young people as well as a parent and toddlers group and those who are retired. The church is also active in the community, running an after school club for primary school aged children and providing input for religious education lessons and assemblies at the local primary school. The Bexley Foodbank is based at the church with a further four satellite distribution centres located at churches in the Borough, together with a storage facility provided by the London Borough of Bexley. The Foodbank provides emergency food for those in need. The local community police and housing panels for the Avery Hill ward also meet at the church. The charity supports other charities whose operations meet the objects of the charity.

## **Achievements and performance**

The main service is the weekly Sunday worship meeting held at Southspring with an average weekly attendance of 45 people. During the course of the year there were a number of special services including Easter and Christmas services.

Three Connect groups continue to meet fortnightly on a Wednesday with 18-30's meeting weekly on a Tuesday. Other opportunities to connect have also been with Avery Ladies (meeting for coffee and various activities) and monthly men's prayer breakfasts and quarterly men's curry nights. The N40s group continues to be well supported with a variety of trips and events throughout the year.

Dave Williams and Andy Masters both take assemblies once a month at Alderwood School as well as providing input into RE lessons.

Ben McFall (youth worker) is in the second and final year of his placement with the church and undertakes youth activities within the church and also mentoring at Crown Woods Academy.

In June, the church took part in the Big Lunch initiative, opening up its building to provide food, games and crafts for people in the community. The event was well attended, with over 200 people joining in the fun. Members of the church also supported the Lark in the Park summer celebration held in Sidcup over two weeks.

## **Avery Hill Charitable Trust**

The church continued to support cross cultural mission through iNet, which is a charity that provides financial and spiritual advice, training and information to a number of missionaries based overseas. The church also provides direct financial support to three families working overseas, one based in the Lebanon, one in Malaysia and the other in Bulgaria. The church also supported XLP, a charity based in South East London working with young people, with an XLP student being based at the church.

The church continued to work in the local community through the Bexley Foodbank, the provision of an after school club and a parent and toddlers group.

The Foodbank collected some 53,741 kg of food and distributed 51,033 kg to 5,435 clients during the year. The food distributed was an increase of 26% over the food granted to clients in the previous year. Over 100 volunteers helped to collect, sort, transport and distribute the food. The charity is grateful to Gill, the Foodbank Manager, the volunteers and other supporters without which the Foodbank could not operate.

During the year alterations to the church building were made to create more flexible ancillary rooms. This involved the repositioning of the main entrance doors which allowed for the creation of a small office and meeting room. The existing Sunday school room was enlarged to enable additional use such as a café to be open in conjunction with the foodbank. The total cost of the works was £ 18,662.

The Trustees have complied with the duty to have due regard to the public benefit guidance published by the Charity Commission.

### **Financial review**

Total income for the year amounted to £ 229,612 compared to expenditure of £ 229,370, resulting in a surplus of £ 242. The surplus for the year was attributable to a general fund deficit of £ 4,263, a deficit of £ 2,435 on designated funds offset by a surplus of £ 6,940 on restricted activities.

### **Reserves Policy**

The general fund now stands at £ 187,501. The Trustees consider that unrestricted funds not committed or invested in tangible assets ("the free reserves") held by the charity should be the sum of three months' expenses and two and a half years rent, approximately £60,000. As at the 28<sup>th</sup> February 2018, free reserves were significantly above this amount but will reduce due to increased support for overseas mission.

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.

### **Plans for future periods**

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

- Weekly worship service
- Midweek prayer and bible study meetings at the church
- Connect groups
- Children's and youth meetings
- Parent & Toddlers group
- N40s group for retired people
- The Big Lunch
- After school clubs at the church
- Bexley Foodbank and Information Point
- Connecting with a church in Tanzania through the Tear Fund Connect programme

# **Avery Hill Charitable Trust**

## **Trustees' responsibilities in relation to the financial statements**

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 2006. 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.

## **Independent examiner**

The Trustees intend to ask the existing examiner to undertake the independent examination of the charity next year.

Signed on behalf of the trustees



P J Piper (Chairman)

21<sup>st</sup> October 2018

# Avery Hill Charitable Trust

## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF AVERY HILL CHARITABLE TRUST ("the Company")

I report to the charity trustees on my examination of the accounts of the Company for the year ended 28th February 2018 on pages 6 to 12 following which have been prepared on the basis of the accounting policies set out on page 8.

### Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

### Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Jacob Farley ACA  
Stewardship  
1 Lamb's Passage  
London  
EC1Y 8AB

14 November 2018

# Avery Hill Charitable Trust

## Statement of Financial Activities (Including Income and Expenditure account) for the year ended 28<sup>th</sup> February 2018

	Notes	Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds 2018	Restated Total Funds 2017
<b>Incoming Resources</b>						
<b>Incoming resources from generated funds:</b>						
Donations and Legacies	2	110,190	-	109,263	219,453	234,956
Charitable Activities	3	159	-	10,000	10,159	11,167
Investment income	4	-	-	-	-	-
<b>Total Incoming Resources</b>		<b>110,349</b>	<b>-</b>	<b>119,263</b>	<b>229,612</b>	<b>246,123</b>
<b>Resources Expended</b>						
Charitable Activities	5	114,612	2,435	112,323	229,370	189,419
<b>Net Incoming (Outgoing) Resources for the Year</b>		<b>(4,263)</b>	<b>(2,435)</b>	<b>6,940</b>	<b>242</b>	<b>56,704</b>
<b>Reconciliation of Funds</b>						
<b>Total Funds brought forward</b>		191,764	2,435	39,801	234,000	177,296
<b>Total Funds carried forward</b>		<b>187,501</b>	<b>-</b>	<b>46,741</b>	<b>234,242</b>	<b>234,000</b>



# Avery Hill Charitable Trust

## Balance Sheet as at 28<sup>th</sup> February 2018

			2018	2017
	Notes	£	£	£
<b>Tangible Assets</b>	8		36,276	23,954
<b>Current Assets</b>				
Inventory	9	33,471		31,922
Debtors & Prepayments	10	5,092		54,685
Cash at bank		<u>161,668</u>		<u>125,573</u>
			200,231	212,180
<b>Creditors: amounts falling due within one year</b>				
Accruals			<u>(2,265)</u>	<u>(2,134)</u>
<b>Net Current Assets</b>			197,966	210,046
<b>Net Assets</b>	<b>11</b>		<u>234,242</u>	<u>234,000</u>
<b>Unrestricted Funds</b>				
General Fund			187,501	191,764
Designated			-	2,435
<b>Restricted Funds</b>			46,741	39,801
<b>Total Funds</b>	<b>13</b>		<u>234,242</u>	<u>234,000</u>

For the year ended 28<sup>th</sup> February 2018, the company was entitled to the exemption from audit under Section 477 of the Companies Act 2006 relating to small companies.

Responsibilities of trustees:

- (a) The members have not required the charitable company to obtain an audit of its accounts for the year in question in accordance with Section 476 of the Companies Act - however, in accordance Section 145 of the Charities Act 2011 the accounts have been examined by an independent examiner whose report forms part of this document.
- (b) The trustees acknowledge their responsibilities for complying with the requirements of the Companies Act with respect to accounting records and the preparation of accounts.

These accounts are prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the board of Trustees on the 21<sup>st</sup> October 2018 and signed on its behalf by:



P Piper  
Trustee

Company number: 5039768  
Charity number: 1103393

The notes on pages 8 to 12 form part of these accounts.

# **Avery Hill Charitable Trust**

## **Notes forming part of the financial statements for the year ended 28<sup>th</sup> February 2018**

### **1. Accounting policies**

- a) The financial accounts have been prepared under the historic cost convention, in accordance with applicable accounting standards and follow the Charities Statement of Recommended Practice (FRS102) 2015 and the Companies Act 2006.
- b) The accounts have been prepared on the going concern basis, as there are no material uncertainties about the charity's ability to continue. Based on the adequacy of the charity's reserves as at the balance sheet date, along with their knowledge of the charity's ability to meet bills, payments and other liabilities as they fall due, the directors have a reasonable expectation that the charity has sufficient resources to continue in operational existence for the foreseeable future.
- c) 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.
- d) The charity has relied significantly upon volunteers in carrying out its activities during the year. In accordance with paragraph 6.18 of the SORP, the role of volunteers has not been recognised as income from donated services in the accounts.
- e) Incoming resource from investment income is included when receivable.
- f) Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT, which cannot be recovered.
- g) Income from donated goods is accounted for on the basis of the value of average donation per kilogramme times the total number of kilogrammes received. Donated items held for redistribution are shown as stock and measured at an average value, according to their service potential to beneficiaries.
- h) Fixed assets acquired for use by the charity are capitalised and depreciated over their estimated useful life unless they cost less than £2,500 when they are written off on purchase. Depreciation periods are as follows:
  - Leasehold improvements and equipment 5 years.
- i) 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
- j) 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. Change to Accounting for Donated Goods and Distribution to Beneficiaries**

During the financial year the policy for accounting for donated goods and distribution to beneficiaries was changed from recognising the income from donated goods when distributed to that shown in 1 f) above. The impact on the accounts results in the recognition of inventory on the 1<sup>st</sup> March 2017 of £31,922 and a corresponding increase in the Foodbank Restricted Fund.

In the financial year to 28<sup>th</sup> February 2018 the change in policy resulted in an increase of £4,549 in Food Donations (2017: £8,298), an increase in Foodbank costs of £3,001 (2017: £2,961) from writing off out of date and damaged stock and an increase in inventory of £1,549 (2017: £5,338). The increase in stock was matched by a corresponding increase in the Foodbank Restricted Fund.

## Avery Hill Charitable Trust

### 3. Donations and Legacies

	Unrestricted	Restricted	2018 Total	2017 Total
	£	£		£
Donations	99,768	18,978	118,746	113,675
Food Donations	-	90,285	90,285	71,281
Legacies	10,422	-	10,422	50,000
<b>Total</b>	<b>110,190</b>	<b>109,263</b>	<b>219,453</b>	<b>234,956</b>

Donations primarily consist of gifts from those attending the church. Food donations is the estimated value of food donated to the Foodbank. Legacies consists of the share in the estate of Gladys Girling deceased a former member of the church.

### 4. Incoming resources from charitable activities

	Unrestricted	Restricted	2018 Total	2017 Total
	£	£		£
Gifts for use of Hall	70	-	70	419
Going Deeper	-	-	-	632
Grants	-	10,000	10,000	10,000
Other	89	-	89	116
<b>Total</b>	<b>159</b>	<b>10,000</b>	<b>10,159</b>	<b>11,167</b>

Grant income consists of a grant received from Bexley Council for the rental of a storage facility for the Foodbank. Going Deeper income represents payments from those attending the Going Deeper event. Other income consists of money received from sales of devotional booklets.

### 5. Charitable Activities

	Unrestricted	Designated	Restricted	2018 Total	2017 Total
	£		£		£
People	67,060	-	8,575	75,635	64,629
Fellowship Expenses	4,269	-	100	4,369	3,285
Premises & Equipment	24,368	2,435	10,000	36,803	31,164
Church Activities	1,239	-	-	1,239	815
Foodbank	1,463	-	90,579	92,042	67,457
Grants and Donations	15,160	-	3,069	18,229	20,199
Independent Examination Costs	1,053	-	-	1,053	870
<b>Total</b>	<b>114,612</b>	<b>2,435</b>	<b>112,323</b>	<b>229,370</b>	<b>189,419</b>

People consist of employee related costs, including salaries of paid staff (see note 6 below).

Fellowship Expenses comprise the costs relating to the general expenses of the church including gifts for outside ministry costs.

Premises and Equipment consist of the payment of rent for the building at Southspring, depreciation on leasehold improvements, repairs, utilities and the purchase of equipment.

## Avery Hill Charitable Trust

Church activities consist of the various activities of the church including youth and Sunday school as well as activities in the community such as the after school club at Alderwood School.

Foodbank consists of the non-staff costs of running the Foodbank and the estimated value of food granted to clients. During the year the value of food grants was estimated at £85,735 (2017: £62,982)

Grants and Donations include gifts to missionaries and support for iNet totalling £14,579 (last year (£15,157)). Other gifts include support for XLP £2,650 (last year £2,400), Tear Fund £1,000 (last year £-) and Lark in the Park £1,500 (last year £1,500).

Fees payable to Stewardship, other than for the independent examination, for payroll bureau services, totalled £834 (2016:£981).

### 6. Staff costs and numbers

The number of employees at the end of the year was six (one full time and five part-time).

	2018	2017
	£	£
Salaries	64,390	57,576
Pension Costs	4,205	3,090
Social Security Costs	1,034	727
<b>Total</b>	<b>69,629</b>	<b>61,393</b>

Remuneration paid to key management amounted to £ 56,972 in the year (2017: £54,178). Key management is considered to be the Minister, Assistant Minister and the Foodbank Manager.

The company operates a defined contribution scheme for certain of its employees. Pension premiums are charged as they are paid.

### 7. Trustees remuneration and related party transactions

The Trustees were not paid or reimbursed for expenses during the year. The total amount donated to the charity by trustees and key staff was £ 56,165.

During the year a gift of £200 was made to Mr M Piper the son of a trustee upon his wedding.

### 8. Tangible Assets

Tangible assets comprise leasehold improvements and the purchase of equipment.

	Cost	Depreciation	Net Book Value
	£	£	£
At 1 <sup>st</sup> March 2017	37,184	13,230	23,954
Additions	18,662	6,340	12,322
At 28 <sup>th</sup> February 2018	55,846	19,570	36,276

### 9. Inventory

Inventory consists the value of the stock of donated food held at the end of the financial year.

# Avery Hill Charitable Trust

## 10. Debtors

Debtors comprise the following:

	2018	2017
	£	£
HMRC Charities	3,363	3,037
Estate of Gladys Girling deceased	-	50,000
Prepayments	1,669	1,648
Other	60	-
<b>Total</b>	<b>5,092</b>	<b>54,685</b>

## 11. Lease Commitments

Obligations under operating leases comprise the following:

	2018	2017
	£	£
Within one year	12,500	12,500
Between one and five years	15,796	28,296
Greater than five years	-	-
<b>Total</b>	<b>28,296</b>	<b>40,796</b>

## 12. Analysis of net assets between funds

	General Funds	Designated Funds	Restricted Funds	Total Funds
	£	£	£	£
Fixed Assets	36,276	-	-	36,276
Inventory	-	-	33,471	33,471
Debtors	4,489	-	603	5,092
Cash at Bank	149,001	-	12,667	161,668
Accruals	(2,265)	-	-	(2,265)
<b>Total</b>	<b>187,501</b>	<b>-</b>	<b>46,741</b>	<b>234,242</b>

## 13. Movement in funds

	Funds at 28/2/17	Incoming Resources	Outgoing Resources	Funds at 28/2/18
	£	£	£	£
<b>Restricted Funds</b>				
Foodbank	38,302	116,404	109,154	45,551
Humanitarian	284	-	-	284
Missionaries	212	2,859	3,069	2
Parents & Toddlers	1,003	-	100	903
<i>Total restricted funds</i>	<b>39,801</b>	<b>119,263</b>	<b>112,323</b>	<b>46,741</b>
<b>Unrestricted Funds</b>				
General	191,764	110,349	114,612	187,501
Designated – Property & Equipment	2,435	-	2,435	-
<i>Total unrestricted funds</i>	<b>194,199</b>	<b>110,349</b>	<b>117,047</b>	<b>187,501</b>
<b>Total Funds</b>	<b>234,000</b>	<b>229,612</b>	<b>229,370</b>	<b>234,242</b>

# Avery Hill Charitable Trust

## Purpose of restricted funds

*Foodbank:* This relates to gifts received and payments made for the Bexley Foodbank provided by the church. This includes gifts in kind of food and other items with an estimated value of £85,735.

*Humanitarian:* This is a fund for the relief of poverty or humanitarian relief.

*Missionaries:* The fund is for the support of two missionary families.

*Parents & Toddlers:* Funds in relation to the Parents & Toddlers group run by the church.

*Property & Equipment:* A fund to meet the costs of improving the church building and the purchase of equipment.

## Detailed Statement of Financial Activities with Comparatives

		Unrestricted Funds - General		Designated Funds		Restated Restricted Funds		Total Funds	Restated Total Funds
	Note	2018	2017	2018	2017	2018	2017	2018	2017
<b>Incoming resources from generated funds:</b>		£	£			£	£	£	£
Donations and Legacies	3	110,190	150,318	-	-	109,263	84,638	219,453	234,956
Charitable Activities	4	159	515	-	-	10,000	10,652	10,159	11,167
Investment Income		-	-	-	-	-	-	-	-
<b>Total Income</b>		<b>110,349</b>	<b>150,833</b>	<b>-</b>	<b>-</b>	<b>119,263</b>	<b>95,290</b>	<b>229,612</b>	<b>246,123</b>
<b>Resources Expended</b>									
Charitable Activities	5	114,612	98,963	2,435	-	112,323	90,456	229,370	189,419
<b>Net Incoming Resources for the Year</b>		<b>(4,263)</b>	<b>51,870</b>	<b>(2,435)</b>	<b>-</b>	<b>6,940</b>	<b>4,834</b>	<b>242</b>	<b>56,704</b>
<b>Reconciliation of Funds:</b>									
Total Funds Brought Forward		191,764	139,894	2,435	2,435	39,801	34,967	234,000	177,296
<b>Total Funds Carried Forward</b>		<b>187,501</b>	<b>191,764</b>	<b>-</b>	<b>2,435</b>	<b>46,741</b>	<b>39,801</b>	<b>234,242</b>	<b>234,000</b>