

Company registration number: 06751712

Charity registration number: 1127204

The Ascension Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2016

Shah Kazemi & Co
Chartered Certified Accountants & Statutory Auditor
163 Herne Hill
London
SE24 9LR

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The Ascension Trust

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The Ascension Trust

Reference and Administrative Details

Full name: The Ascension Trust Ltd. In this document, the organisation is referred to as Ascension Trust.

Charity Registration Number: 1127204

Company Registration Number: 06751712

Registered Office: Alpha Place, Alpha House, 158 Garth Road
Morden, Surrey, England SM4 4TQ

CEO: Revd. Leslie W Isaac

Trustees:

Mr. Olufemi Ladega (Chair) Mr. Emmanuel Kodua (Deputy Chair)

Revd Leslie W. Isaac Revd. Jimi Adeleye

Dr. Chinyere Chi Ekhaton Miss Julaine Hedman

Ms. Rhona Lawrie Dr. Christopher J Voke

Mr. Moses O O Mbakwe (Trustee until Mar 2016)

Secretary: Mr. Alistair W H Crow

Auditors: Shah Kazemi & Co of 163 Herne Hill, London SW24 9LR were appointed to carry out our audit for 2016.

Bankers: Ascension Trust uses the banking services of the Royal Bank of Scotland, 59 Streatham High Road, London.

Solicitors: Lawson, Lewis & Co Solicitors, 37 Brassey Avenue, Hampden Park, Eastbourne, East Sussex, BN22 9QD

The Ascension Trust

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 December 2016.

A LETTER FROM THE CEO OF ASCENSION TRUST

My Dear Friends,

"Except the Lord build the house, they labour in vain that build it....Psalm 127:1"

We recognise that Ascension Trust is a divinely led and sustained organisation. Without God's favour and presence, it will not succeed. Therefore, this past year and going forward, strategic prayer lies at the heart of Ascension Trust's future growth and development and I believe because of this strategy God has and continues to guide our endeavours in making a positive influence in this country and also internationally.

The Ascension Trust is actively working to meet the practical needs of communities; at a strategic level through weapons bins in cities across the UK; offering training to young girls in Ghana or through several street pastors initiatives as part of our safety partnerships in the night-time economy, the acronym A.C.T illustrating the work of Ascension Trust:

Ascension Trust is a Christian inter-denominational organisation with a passion to mobilise the Church to make a positive contribution to society and to improve the quality of life of the disadvantaged and vulnerable.

Combining the skills and professional expertise of likeminded individuals, we aim to develop and implement practical and effective strategies to transform lives.

To mobilise and train volunteers to serve communities and work with the marginalised in society, to increase our impact in communities and help create savings for the public purse, reducing anti-social behaviour activities such as gun and knife crimes.

However, in the past year there has been a general decrease in charitable giving across the United Kingdom. This challenges charitable organisations to be ever more attentive to demonstrate financial probity, transparency, accountability and efficiency to the general public in order to build public confidence. As an organisation we continue to rise to this challenge as well as put in place the necessary procedures to uphold these values.

Ascension Trust has not been insulated from the effects of these societal trends and has experienced relatively lower receipts in donations and other forms of giving. This resulted in a slight overall deficit in our finances. Despite this, the overall performance of the charity has been good and the trajectory of finances since the start of the New Year 2017 has been positive.

We believe that organisations that don't change, die. Hence, our initiatives continue to be effective in particular, the Response Pastors who have made a significant impact in the aftermath to some of the

national emergencies and disasters, such as the Shoreham Air Crash (August 2015) and Croydon Tram Crash (November 2016).

Our Street Pastors also continue to have an impact on the streets and we are developing further strategies to be more effective by way of various projects and working closely with partners in the local communities such as the Police Service and local churches.

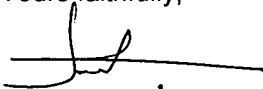
Ascension Trust doesn't exist to act solely to respond to the problems of society but also to alleviate the underlying causes at the root of some of the social issues that trouble communities, for example the recent increase in the Knife Crime.

We also endeavour to continue to support our international partners for example, Operation Restoration Christian School (ORCS) in Jamaica and The Oyibi Project in Ghana as well as being involved with relief schemes with the soon to be launched UK Christian Diaspora.

Overall, with the support of talented staff, we hope to develop new approaches to ministry, fund-raising and online donations while having prayer at the core of all our strategies and future plans. The future is looking better both financially and in terms of ministry as we approach our 25th Anniversary next year and therefore, we remain optimistic that this will continue to be reflected in financial giving.

With the continued help of our friends and partners we will be able to fulfil our goals and mission to equip people to serve to transform their society for the better.

Yours faithfully,



Revd Canon Leslie Isaac, OBE

CEO of Ascension Trust

The Ascension Trust

Trustees' Report (continued)

Objectives and activities

Objects and aims

The principal objective of the company concerns the advancement of the community through education, training and outreach. Each year the trustees review the objectives and activities to ensure that they continue to reflect our aims. During this review, the trustees consider the Charity Commission's guidance on public benefit.

The aims of the charity as set out in the charity's Memorandum of Association are summarised as follows:

For the benefit of the public, to relieve sickness and financial hardship, advance education and training and to promote and preserve good physical, mental and emotional health particularly but not exclusively through the provision of counselling and support in such parts of the United Kingdom or the world as the trustees from time to time may think fit.

The Ascension Trust

Trustees' Report (continued)

Public benefit

Ascension Trust has a number of schemes in operation which actively serve the public. Some of these include: Street Pastors, Response Pastors, School & College Pastors, Urban Youth Mission, Rail Pastors, Word4Weapons and Oyibi Project.

- **Street Pastors**
Street Pastors are trained volunteers who patrol the streets between the hours of 10pm and 4am (although this varies in some areas according to local needs).
At present there are approximately 270 local initiatives up and down the country and more internationally.
- **Response Pastors**
Response Pastors deliver help to those who are traumatized by major disasters at events such as terrorist attacks, crashes and other incidents. Our volunteers helped and made a significant difference at the Shoreham Air Crash and the Croydon Tram crash.
- **School Pastors**
School Pastors go into schools and encourage young people who are hurting or vulnerable and get alongside them to provide pastoral care and advice to them about situations that they may be facing.
- **Urban Youth Mission**
Once a year, Ascension Trusts hosts an Urban Youth Mission event. This typically involves taking a number of young people away for a week where they can be inspired, discipled and taught.
- **Rail Pastors**
Rail Pastors help to patrol on platforms where there are high incidences of suicide. They help to reduce the risk of self-harm.
- **Word4Weapons**
A Knife-crime initiative where weapons are exchanged safely and securely at specified knife bin locations in London and West Midlands. Over the past years 25,000 weapons have been collected.
- **Oyibi Project**
Situated in Greater Accra region, Ghana; Ascension Trust runs an annual overseas mission project to enable people to share their skills for the benefit of others and to encourage a love for God's global Kingdom.

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

The Ascension Trust

Trustees' Report (continued)

Use of volunteers

Contribution made by volunteers

Volunteers perform a key task on behalf of the charity. They are therefore central to meeting the aims and objectives of Ascension Trust. It would be impossible to deliver our mission without them. At present, there are about 15,000 trained volunteers in England and Wales. We aim to increase our volunteer base by recruitment initiatives in the coming year.

Achievements and performance

- Sponsored Bike Ride 2016 from London to Brighton Pier, Saturday 21st May – Fund-raising for Ascension Trust.
- The National Management & Coordinators Training days were held in Cardiff City Centre from 21st to 23rd July in which over 130 people gathered for training.
- More individuals joining Ascension Trust and Graduating as Street/School/Rail & Response Pastors in November's 2016 Ceremony. The keynote address given by Dr Bishop Graham Kings.

Other achievements:

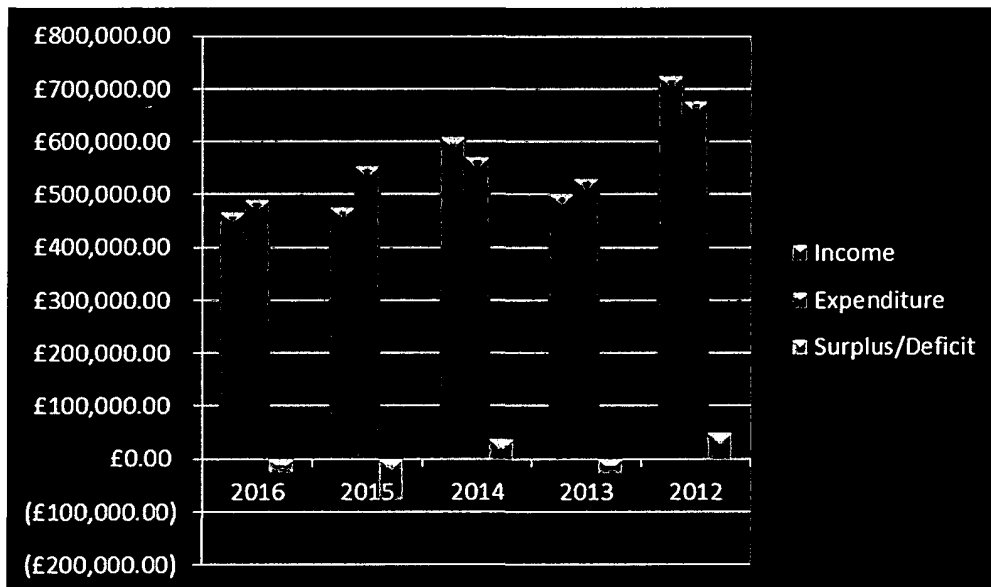
- Discussions began regarding collaboration with Lambeth Methodist Circuit & London City Mission.
- Ascension Trust held its first National Prayer Pastors Training Day in Birmingham at the Mount Zion Community Church for potential trainers in the area of prayer.
- Ascension Trust hosted a Bringing Hope Event looking at the great work involved with youth that needs to be carried out in our communities.
- A member of staff participated in a sponsored full and half marathon to raise funds for Ascension Trust.
- Had a two week work experience student from the Darvell Community who lived and worked with us during April 2016.
- We had a number of volunteers who gave their time and experience working at the Head Office throughout the year.
- Held a successful Governance Workshop & Training Day discussing governance matters for trustees from various charity backgrounds.
- The 2Gether1 Marriage Preparation weekend course was held for those preparing for Christian marriage.
- Ascension Trust ran a six- month Internship Programme for a student from Jamaica, West Indies.
- Ascension Trust works together with the Night Time Economy including the Police, night clubs, drinks industry and the churches. An example of this was our 3rd successful New Year's Eve Patrol on the 31st December 2016 in Central London with a number of our Street Pastors from around the UK.
- As an Antiguan, Revd Les Isaac was awarded the Governor-General's Diaspora award at their 35 Years Independence Anniversary service held in London. The award was given by His Excellency, The Governor-General. It recognises individuals who have made a substantial and continuous contribution to Antigua and Barbuda, the Caribbean Community and the international community in various fields.

Financial review

Ascension Trust reported a deficit of £16,346 on restricted and unrestricted funds in 2016 compared to a deficit of £77,700 in 2015. This massive drop in the deficit is contributed to the slight increase of donations and legacies in 2016 as well as efforts made to reduce costs and being careful in our spending. Although there has been a slight increase in donations and legacies, there has also been an increase in restricted funds. However, overall there is still a decline in the general Income for Ascension Trust but we're pleased that costs this year are the lowest during the 5 year span.

Comparisons of financial information can be seen below using selected financial data:

	2016	2015	2014	2013	2012
Income	£474,622	£475,906	£607,986	£501,862	£724,486
Expenditure	£490,968	£553,606	£570,472	£528,881	£675,485
Surplus/Deficit	-£16,346	-£77,700	£37,514	-£27,019	£49,001
No. of Employees	13	12	12	11	11



Policy on reserves

The Management and Trustees examined the charity's requirements for reserves in the light of the main risks to the organisation. It has established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the charity is not less than 12 months of expenditure. This will allow the Charity to function properly, even if there is a significant downturn in income in the present economic circumstances.

The Management and Trustees acknowledge the significant shortfall of its target level and plan to continue to build reserves through operating surpluses and targeted funding applications. In the short term, the Management and Trustees have also considered the extent to which existing activities and expenditure could be curtailed, should such circumstances arise

Funds Designated

Towards the end of 2009 Ascension Trust purchased a building and the Trustees designated thirty thousand pounds (£30,000) of the current unrestricted funds towards the costs of setting up the premises for use (e.g. office equipment, repairs and improvements, etc.). A balance of £2,860 was brought forward from 2014. A further £Nil was expended on building works in this period and this leaves a balance of £2,860 to be carried forward to 2016 for further repairs and maintenance work planned.

Principal funding sources

Although we generate income by way of donations from the public and churches, the principal funding source for the charity are contributions from its various initiatives (including Street Pastors Initiatives) in the form of Licence Fees. The licence fee income, when compared to the previous years has reduced significantly. However, we would like to thank our initiatives who, notwithstanding their stressed financial circumstances, continue to contribute to the central funds so that The Ascension Trust can maintain its services to the whole network.

Also, the board remains vigilant in their commitment to the work of Ascension Trust and thereby have formed a Sub-Finance Committee to review regularly the finances of the organisation. This being achieved with the help of a recently appointed Finance Manager who is tasked with ensuring systems and procedures are compliant as well as having the task of assisting the Sub-Finance Committee with identifying new opportunities to increase revenue and to review fundraising options.

In 2016, our Word 4 Weapons initiative continued its work of helping to make our streets safer by maintaining and increasing the number of weapon bins in London and the West Midlands. An example being, working with the Police during Carnival seasons. The work in the West Midlands continues to be supported by the West Midlands Police. We are very grateful for this development and growing partnership.

We acknowledge and thank all those individuals, churches, and companies, who have supported the work of Ascension Trust in the past years through their kind donations of funds, advice and time.

Our specific thanks to the following organisations:

CHIPS	Church Communities UK	St Marks Kennington PCC
Christian Life Fellowship	Deltic Group	Diageo
Mount Zion Community Church	Thoughts of Other	Holibrook House Limited
Jerusalem Trust	New Testament Church	Micah Christian

Investment policy and objectives

To date there has been very little financial headroom to consider any significant long term investment opportunities. The Management and Trustees remain active in exploring ways to improve the returns on cash reserves.

The Ascension Trust

Trustees' Report (continued)

Structure, governance and management

Nature of governing document

Ascension Trust is a charitable company limited by guarantee, governed by its Memorandum and Articles of Association adopted on the 1st January 2009. It has no share capital and the liability of each member in the event of winding-up is limited to £10. Prior to this, the Ascension Trust was a charitable trust but converted to a Charitable Company limited by guarantee due to the rapid expansion of the Trust.

Recruitment and appointment of trustees

Ascension Trust is now run by a board of directors which comprises ten directors (Trustees). The Trustees are both Trustees of the Charity and Directors of the Company. Where there is a need for new Trustees, these would be identified and appointed by the current Trustees.

Induction and training of trustees

The chair of Trustees is responsible for the induction of any new Trustee. This involves awareness training of a Trustee's duties and responsibilities, the governing document, administrative procedures, as well as the history and ethos of the charity. A new Trustee will also receive a copy of the previous year's annual report and a copy of the Charity Commission leaflet 'The Essential Trustee: What You Need to Know'. At present, Ascension Trust has nine Trustees from a variety of professional backgrounds, each relevant to the activities of the charity. The day to day management of the organisation is shouldered by a staff team, headed by a Chief Executive Officer (who is also a trustee and Director).

Major risks and management of those risks

The CEO, along with the Directors, routinely examines the business, reputation and operational risks when preparing strategic plans and budgets, and when considering forthcoming projects. In particular, Ascension Trust is aware of the risks involved in working with its various constituencies, including:

- i. Associated projects around the UK
- ii. Vulnerable people including young people
- iii. Individual Street Pastors
- iv. Financial Procedures
- v. International Development

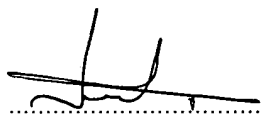
The Ascension Trust

Trustees' Report (continued)

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the Charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the Charity on 15/9/17 and signed on its behalf by:



Reverend LW Isaac
Chief Executive Officer and Trustee

The Ascension Trust

Statement of Trustees' Responsibilities

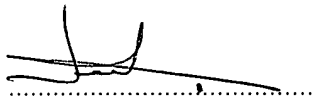
The trustees (who are also the directors of The Ascension Trust for the purposes of company law) are responsible for preparing the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the Charity on 15/9/17 and signed on its behalf by:



Reverend LW Isaac
Chief Executive Officer and Trustee

The Ascension Trust

Independent Auditors' Report to the Members of The Ascension Trust

We have audited the financial statements of The Ascension Trust for the year ended 31 December 2016, which comprise the Statement of Financial Activities, Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)).

This report is made solely to the charitable company's trustees, 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 trustees 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 charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 13), the trustees (who are also the directors of the charitable company 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.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

The Ascension Trust

Independent Auditors' Report to the Members of The Ascension Trust (continued)

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2016 and of its results 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 other matter prescribed by the Companies Act 2006

In our opinion the information given 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.


.....
Mr Sheetal Shah (Senior Statutory Auditor)
For and on behalf of Shah Kazemi & Co, Statutory Auditor

163 Herne Hill
London
SE24 9LR

Date: 15/9/17

The Ascension Trust

Statement of Financial Activities for the Year Ended 31 December 2016 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2016 £
Income and Endowments from:				
Donations and legacies	2	62,358	24,039	86,397
Charitable activities	3	315,699	14,572	330,271
Other trading activities	4	20,741	-	20,741
Investment income	5	528	24	552
Other income	6	36,661	-	36,661
Total Income		435,987	38,635	474,622
Expenditure on:				
Charitable activities	7	(470,438)	(20,530)	(490,968)
Total Expenditure		(470,438)	(20,530)	(490,968)
Net (expenditure)/income		(34,451)	18,105	(16,346)
Net movement in funds		(34,451)	18,105	(16,346)
Reconciliation of funds				
Total funds brought forward		344,306	183,972	528,278
Total funds carried forward	20	309,855	202,077	511,932
	Note	Unrestricted funds £	Restricted funds £	Total 2015 £
Income and Endowments from:				
Donations and legacies	2	51,232	23,894	75,126
Charitable activities	3	335,524	7,023	342,547
Other trading activities	4	11,995	-	11,995
Investment income	5	572	25	597
Other income	6	45,641	-	45,641
Total Income		444,964	30,942	475,906
Expenditure on:				
Charitable activities	7	(537,040)	(16,565)	(553,605)
Total Expenditure		(537,040)	(16,565)	(553,605)
Net (expenditure)/income		(92,076)	14,377	(77,699)
Net movement in funds		(92,076)	14,377	(77,699)
Reconciliation of funds				
Total funds brought forward		436,383	169,595	605,978
Total funds carried forward	20	344,307	183,972	528,279

The Ascension Trust

Statement of Financial Activities for the Year Ended 31 December 2016

(continued)

**(Including Income and Expenditure Account and Statement of Total
Recognised Gains and Losses)**

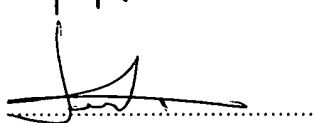
All of the Charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2015 is shown in note 20.

The Ascension Trust
(Registration number: 06751712)
Balance Sheet as at 31 December 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	14	244,899	253,959
Investments	15	1	1
		<u>244,900</u>	<u>253,960</u>
Current assets			
Debtors	16	111,234	132,055
Cash at bank and in hand		316,470	380,050
		<u>427,704</u>	<u>512,105</u>
Creditors: Amounts falling due within one year	17	<u>(69,383)</u>	<u>(140,317)</u>
Net current assets		<u>358,321</u>	<u>371,788</u>
Total assets less current liabilities		603,221	625,748
Creditors: Amounts falling due after more than one year	18	<u>(91,289)</u>	<u>(97,470)</u>
Net assets		<u>511,932</u>	<u>528,278</u>
Funds of the Charity:			
Restricted income funds		(202,077)	(183,972)
Unrestricted income funds			
Unrestricted income funds		<u>(309,855)</u>	<u>(344,307)</u>
Total funds	20	<u>(511,932)</u>	<u>(528,279)</u>

The financial statements on pages 16 to 34 were approved by the trustees, and authorised for issue on 15/9/17 and signed on their behalf by:



Reverend L W Isaac
Chief Executive Officer and Trustee

The Ascension Trust

Notes to the Financial Statements for the Year Ended 31 December 2016

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

The Ascension Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Exemption from preparing a cash flow statement

The Charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Group accounts not prepared

The Charity's subsidiary undertakings consist of Ascension Commercial Limited (Company Registration 07586400). The trustees do not consider the cost of preparing consolidated accounts justifiable.

Exemption from preparing group accounts

The Charity has taken advantage of the exemption in section 398 of the Companies Act 2006 from the requirement to prepare consolidated financial statements, on the grounds that it is a small sized group.

Income and endowments

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

The Ascension Trust

Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

1 Accounting policies (continued)

Donations and legacies

Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the Charity before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that these conditions will be fulfilled in the reporting period.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs

These include the costs attributable to the Charity's compliance with constitutional and statutory requirements, including audit, strategic management and Trustee's meetings and reimbursed expenses.

Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £0.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The Ascension Trust

Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

1 Accounting policies (continued)

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Equipment	15% Straight line balance
Fixtures and Fittings	20% Reducing balance
Leasehold Property	2% Straight line

Research and development

Research and development expenditure is written off as incurred.

Business combinations

Business combinations are accounted for under the purchase method. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the charity. All intra-group transactions, balances, income and expenses are eliminated on consolidation. In accordance with Section 35 of FRS 102, Section 19 of FRS 102 has not been applied in these financial statements in respect of business combinations effected prior to the date of transition.

Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

The Ascension Trust

Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

1 Accounting policies (continued)

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the Charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustee's discretion in furtherance of the objectives of the Charity.

Designated funds are unrestricted funds are resources set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

The Ascension Trust

Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

1 Accounting policies (continued)

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

The Ascension Trust

Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

1 Accounting policies (continued)

Debt instruments

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

(a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.

(b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.

(c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).

(d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.

(e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

(f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

The Ascension Trust

Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

1 Accounting policies (continued)

Investments

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

Derivative financial instruments

The Charity uses derivative financial instruments to reduce exposure to foreign exchange risk and interest rate movements. The Charity does not hold or issue derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in statement of financial activities immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in statement of financial activities depends on the nature of the hedge relationship.

Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

Hedge accounting

The Charity designates certain derivatives as hedging instruments in cash flow hedges and fair value hedges.

At the inception of the hedge relationship, the entity documents the economic relationship between the hedging instrument and the hedged item, along with its risk management objectives and clear identification of the risk in the hedged item that is being hedged by the hedging instrument. Furthermore, at the inception of the hedge the Charity determines and documents causes for hedge ineffectiveness.

The Ascension Trust

Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

1 Accounting policies (continued)

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss. Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods in which the hedged item affects profit or loss or when the hedging relationship ends.

Hedge accounting is discontinued when the charity revokes the hedging relationship, the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Any gain or loss accumulated in equity at that time is reclassified to profit or loss when the hedged item is recognised in profit or loss. When a forecast transaction is no longer expected to occur, any gain or loss that was recognised in other comprehensive income is reclassified immediately to profit or loss.

Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the hedging instrument and the change in the hedged item attributable to the hedged risk are recognised in the line related to the hedged item in profit or loss.

Hedge accounting is discontinued when the charity revokes the hedging relationship, the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to statement of financial activities from that date.

2 Income from donations and legacies

	Unrestricted funds			
	General	Restricted	Total	Total
	£	funds	2016	2015
		£	£	£
Donations and legacies;				
Donations from individuals	62,358	24,039	86,397	75,126
	<u>62,358</u>	<u>24,039</u>	<u>86,397</u>	<u>75,126</u>

The Ascension Trust

Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

3 Income from charitable activities

	Unrestricted funds	Restricted funds	Total 2016
	General £	£	£
Street Pastors	268,590	-	268,590
School Pastors	14,104	-	14,104
Missions	13,584	-	13,584
Word 4 Weapon	-	14,572	14,572
Training and uniforms	19,421	-	19,421
	<u>315,699</u>	<u>14,572</u>	<u>330,271</u>

4 Income from other trading activities

	Unrestricted funds	Total 2016	Total 2015
	General £	£	£
Other income from other trading activities	<u>20,741</u>	<u>20,741</u>	<u>11,995</u>

5 Investment income

	Unrestricted funds	Restricted funds	Total 2016	Total 2015
	General £	£	£	£
Interest receivable and similar income;				
Other interest receivable	<u>528</u>	<u>24</u>	<u>552</u>	<u>597</u>

6 Other income

	Unrestricted funds	Total 2016	Total 2015
	General £	£	£
Income from trading subsidiary	<u>36,137</u>	<u>36,137</u>	<u>45,641</u>

The Ascension Trust

Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

7 Expenditure on charitable activities

	Unrestricted funds			
	General	Restricted	Total	Total
	£	funds	2016	2015
		£	£	£
Street Pastors	345,230	-	345,230	407,982
School Pastors	30,460	-	30,460	26,300
Missions	12,888	-	12,888	21,656
Word 4 Weapon	-	20,530	20,530	16,565
Training and uniforms	23,929	-	23,929	20,252
Governance Costs	57,930	-	57,930	-
	<u>470,437</u>	<u>20,530</u>	<u>490,967</u>	<u>492,755</u>

£470,437 (2015 - £476,190) of the above expenditure was attributable to unrestricted funds and £20,530 (2015 - £16,565) to restricted funds.

In addition to the expenditure analysed above, there are also governance costs of £Nil (2015 - £Nil) which relate directly to charitable activities. See note 8 for further details.

The Ascension Trust

Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

8 Analysis of governance and support costs

Governance costs

	Unrestricted funds	Total 2016	Total 2015
	General £	£	£
Staff costs			
Wages and salaries	31,053	31,053	30,860
Social security costs	2,794	2,794	2,395
Audit fees			
Audit of the financial statements	4,200	4,200	4,200
Legal fees	13	13	3,507
Depreciation, amortisation and other similar costs	148	148	156
Other governance costs	19,722	19,722	19,731
	<u>57,930</u>	<u>57,930</u>	<u>60,849</u>

9 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2016 £	2015 £
Depreciation of fixed assets	<u>8,547</u>	<u>7,820</u>

10 Trustees remuneration and expenses

11 Staff costs

The aggregate payroll costs were as follows:

	2016 £	2015 £
Staff costs during the year were:		
Wages and salaries	280,610	312,461
Social security costs	22,079	23,739
Pension costs	2,386	3,664
	<u>305,075</u>	<u>339,864</u>

The Ascension Trust

Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

11 Staff costs (continued)

The monthly average number of persons (including senior management team) employed by the Charity during the year expressed as full time equivalents was as follows:

	2016 No	2015 No
Staff	<u>13</u>	<u>12</u>

No employee received emoluments of more than £60,000 during the year.

12 Auditors' remuneration

	2016 £	2015 £
Audit of the financial statements	<u>4,200</u>	<u>4,200</u>

13 Taxation

The Charity is a registered charity and is therefore exempt from taxation.

14 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Computer equipment £	Total £
Cost				
At 1 January 2016	283,476	4,409	55,132	343,017
Additions	<u>-</u>	<u>-</u>	<u>5,383</u>	<u>5,383</u>
At 31 December 2016	<u>283,476</u>	<u>4,409</u>	<u>60,515</u>	<u>348,400</u>
Depreciation				
At 1 January 2016	39,575	2,798	52,581	94,954
Charge for the year	<u>5,669</u>	<u>323</u>	<u>2,555</u>	<u>8,547</u>
At 31 December 2016	<u>45,244</u>	<u>3,121</u>	<u>55,136</u>	<u>103,501</u>
Net book value				
At 31 December 2016	<u>238,232</u>	<u>1,288</u>	<u>5,379</u>	<u>244,899</u>
At 31 December 2015	<u>243,901</u>	<u>1,611</u>	<u>2,551</u>	<u>248,063</u>

Included within the net book value of land and buildings above is £Nil (2015 - £Nil) in respect of freehold land and buildings and £238,231 (2015 - £243,901) in respect of leaseholds.

The Ascension Trust

**Notes to the Financial Statements for the Year Ended 31 December 2016
(continued)**

15 Fixed asset investments

	2016	2015
	£	£
Shares in group undertakings and participating interests	<u>1</u>	<u>1</u>

The Ascension Trust

Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

15 Fixed asset investments (continued)

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost		
At 1 January 2016	1	1
At 31 December 2016	1	1
Net book value		
At 31 December 2016	1	1
At 31 December 2015	1	1

Details of undertakings

Details of the investments in which the Charity holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	Principal activity
Subsidiary undertakings				
Ascension Commercial Limited	England and Wales	Ordinary	100%	Resale of clothing and other branded merchandise

16 Debtors

	2016 £	2015 £
Trade debtors	6,817	12,194
Due from group undertakings	87,524	94,806
Prepayments	6,448	5,781
Other debtors	10,445	19,274
	<u>111,234</u>	<u>132,055</u>

The Ascension Trust

Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

17 Creditors: amounts falling due within one year

	2016	2015
	£	£
Trade creditors	16,596	2,678
Other loans	556	2,073
Other taxation and social security	8,946	13,432
Other creditors	(28,622)	50,227
Accruals	71,907	71,907
	<u>69,383</u>	<u>140,317</u>

18 Creditors: amounts falling due after one year

	2016	2015
	£	£
Bank loans	<u>91,289</u>	<u>97,470</u>

The Ascension Trust

Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

19 Charity status

The Charity is a Charity limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £Nil towards the assets of the Charity in the event of liquidation.

20 Funds

	Balance at 1 January 2016 £	Incoming resources £	Resources expended £	Balance at 31 December 2016 £
Unrestricted funds				
Unrestricted general funds	(341,446)	(435,987)	470,438	(306,995)
Unrestricted designated funds	<u>(2,860)</u>	<u>-</u>	<u>-</u>	<u>(2,860)</u>
Total unrestricted funds	(344,306)	(435,987)	470,438	(309,855)
Restricted funds	<u>(183,972)</u>	<u>(38,635)</u>	<u>20,530</u>	<u>(202,077)</u>
Total funds	<u>(528,278)</u>	<u>(474,622)</u>	<u>490,968</u>	<u>(511,932)</u>
	Balance at 1 January 2015 £	Incoming resources £	Resources expended £	Balance at 31 December 2015 £
Unrestricted funds				
Unrestricted general funds	(433,523)	(444,964)	537,040	(341,447)
Unrestricted designated funds	<u>(2,860)</u>	<u>-</u>	<u>-</u>	<u>(2,860)</u>
Total unrestricted funds	(436,383)	(444,964)	537,040	(344,307)
Restricted funds	<u>(169,595)</u>	<u>(30,942)</u>	<u>16,565</u>	<u>(183,972)</u>
Total funds	<u>(605,978)</u>	<u>(475,906)</u>	<u>553,605</u>	<u>(528,279)</u>

The Ascension Trust

Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

21 Analysis of net assets between funds

22 Analysis of net funds

	At 1 January 2016 £	Cash flow £	At 31 December 2016 £
Cash at bank and in hand	380,050	(63,580)	316,470
Net debt	<u>380,050</u>	<u>(63,580)</u>	<u>316,470</u>