

**AQUILA FELLOWSHIP TRUST**  
**TRUSTEES' REPORT AND UNAUDITED ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

# AQUILA FELLOWSHIP TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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### Trustees

Mr A P Daniel  
Mr D M Thomas  
Mrs R M Daniel  
Mr S R Parkyn  
Mrs G M Parkyn  
Mr C G Paxman

### Secretary

Mr C G Paxman

### Charity number

253092

### Independent examiner

Baldwins  
20 Western Road  
Launceston  
Cornwall  
PL15 7BA

# AQUILA FELLOWSHIP TRUST

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# **AQUILA FELLOWSHIP TRUST**

## **TRUSTEES' REPORT**

### ***FOR THE YEAR ENDED 31 DECEMBER 2019***

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The trustees present their report and accounts for the year ended 31 December 2019.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the trust's governing document, the Charities Act 2011 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

#### **Structure, governance and management**

The trust was established by a charitable trust deed on 31 May 1967.

The trustees who served during the year were:

Mr A P Daniel  
Mr D M Thomas  
Mrs R M Daniel  
Mr S R Parkyn  
Mrs G M Parkyn  
Mr C G Paxman

#### **Method of recruitment and appointment of trustees**

Names are submitted in the first instance by board members. Potential trustees are then approached formally and invited to express an interest in becoming a trustee.

Candidates are then interviewed and confirmation of their gifting sought from local church leaders.

Candidates may also be recruited for their ability to contribute using their professional skills and which board members feel could add to its skill base.

#### **Organisational structure**

The charity was founded in 1967 by the trustees then in office and is still governed by its original Statement of Faith of 10 March 1969 (updated 23 August 2010). It has a Board of Trustees nominated, elected and then re-elected at each Annual General Meeting to which members of the public are invited.

Since then all policy decisions suggested to the Board are discussed and must be collectively ratified by the trustees for them to be adopted. This involves prayer and discussion and, to date, we praise God that approval has been unanimous then as now.

Any suggestions put forward by interested parties or members of the public, whether individually or at the AGM (which is open to the public), will be considered by the Board and only adopted by its collective decision. Unanimity is considered essential in such matters to ensure compliance with scriptural principles (being of one mind).

The work and management of the Trust's bookshop is instigated and supervised by the appointed manager, Mr Michael Stearns. Major operational policy decisions must be put to the Board for their approval before implementation.

The shop manager is responsible to the Board for the implementation of Trust policy by it relating to the shop i.e. display, stockholding, and has the authority to reduce the price of slower selling stock, as well as staff management. He also collects the rent and utility payments due.

Tenancy arrangements in the flat are supervised by the Trust Secretary to ensure compliance with the assured shorthold tenancy agreement and to safeguard the Trust's ownership rights and responsibilities. The Secretary also has had oversight of flat maintenance inspection during the year for which records are kept with a copy shared by the lessee.

# **AQUILA FELLOWSHIP TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2019***

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### **Related parties**

The Trust is non-denominational and non-sectarian. It stands separate from any other organisation, whether church or secular.

The trustees have assessed the major risks to which the trust is exposed, and are satisfied that systems are in place to mitigate exposure to those major risks.

### **Objectives and activities**

The trust's objects are:

- to prayerfully encourage enquirers, new, as well as committed Christians, to follow the teaching of the Lord Jesus Christ and to commit more deeply to Him. Christian literature forms a major part of our ministry. Most importantly, we encourage all believers to deepen their faith by studying the Scriptures (the Bible) as well as other authoritative books.
- to encourage them to develop their relationship with other members of the public. This is done through prayer and practical support by the manager and trustees, as well as appointed and supervised volunteers.

The only restricted funds in our accounts at present are those from the Seedbed Trust for the restricted purpose of improving our technology base. Some of that fund was used to update our technology during the year.

The separate, generous legacy received from the estate of our late Chair over the past two years has no restrictions upon it. The legacy has mostly been invested to produce Christian, ethical income at advantageous rates.

There are no Endowment Funds but significant unrestricted funds which are held in a deposit account held and operated by the Kingdom Trust - a Christian organisation offering very competitive rates. Efforts have been made to ensure the Trust divests its financial assets so that no investment falls outside the limits of legal protection for any one investment. This has yet to be implemented because of the very recent downward trend in investment rates.

We offer care and support to any members of the public - be that practical or spiritual. This largely becomes known to us by direct approach from anyone who feels in need of support and whom we feel needs and deserves that support. Social, Christian, and prayerful, assessment is used in reviewing their need.

The policies adopted in furtherance of these objects are mentioned elsewhere in this report and there has been no change in these during the year.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the trust should undertake.

### **Activities of the charity**

Through the energies of our manager, trustees and volunteers we have a considerable presence in the town and are active in the Chamber of Trade, local (ie largely within churches in the Tamar Valley Area of North and East Cornwall and West Devon) and a significant and well supported outreach by means of an active presence at the annual Bush Bible conferences (one in each county), in the Churches Together tent at the Royal Cornwall Show, Creationfest (also at that showground but a separate event), the Launceston Show. Bookstalls and the sharing of information at ministerial events also feature in our calendar.

The Trust owns a flat above the bookshop and is a landlord to that flat's tenants. We have noted that the Trust's rental income has modestly increased since last year.

# **AQUILA FELLOWSHIP TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2019***

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### **Achievements and performance**

We live in a present age of increased social and spiritual problems associated with a still increasing trend towards secularism. We do what we can to counter that trend by friendly engagement wherever and, in whatever way we can, since we believe that following the teachings of our Lord Jesus Christ brings peace to troubled minds and with God.

There has been a significant nationwide decline in our type of bookshop over recent years but, with God's help and careful stewardship of resources, we are aiming to ensure that trend does not impact us too greatly. Both turnover and profitability have nonetheless come under strain in recent years but our presence and ministry are greatly appreciated. People appreciate the quality and range of helpful books, Christian music and DVDs coupled with prompt, helpful attention by the manager and our team of volunteer staff on whom we continue to greatly rely.

We operate an oversight of the outreach centre in Kilkhampton, Devon (under the leadership of Mr Albert Sloman) in accordance with our established vision of an independent Christian work in the wider Tamar Valley. That fellowship centre was built and, is still owned by the Trust, from which we receive rent collected from the associated cottage.

We regret that we have experienced a modest loss this year. This was incurred because we needed to make use of some of our resources to maintain the building by repair and maintenance. We are thankful that we have reserves as a result of the bequest referred to above. The independently examined accounts are attached to this report.

All our work is covered by prayer and we are grateful for the provision of resources from God and His people.

A great amount of time and energy, as well as skill and experience, have been committed by our trustees (Peter Daniel and Roger Parkyn) who have expert knowledge in this sphere of work particularly in redesigning and the cost projection of the bookshop basement and otherwise upgrading the facilities (which had been suffering damp penetration as well as odour problems in the basement). The bookshop occupies three floors. There is a small stockroom/store room on the second floor. It was decided towards the end of our trading year aim to use their skills to make the improvements and to remunerate them for that work for the reasons stated as well as for their proven competitive rates. The renovation work was scheduled to start, and be completed in February to give us a clear run to the important pre-Easter trading period. At the time of writing, this was seriously dislocated by the Coronavirus national shutdown from March to June and so this is bound to affect 2020 financial results.

# **AQUILA FELLOWSHIP TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2019***

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### **Financial review**

Our Total Current Assets less liabilities amounted to £314,566 current assets. This includes stock of £40,213. An adjusted restricted fund (Seedbed Trust) sum balance at year end of £418 is held for enhancement of our accountancy technology base and internet access.

We are grateful to have received a total Gift Aid refund of £2,600 – a useful increase during the year.

We have been pleased to be able to increase grants to other Christian work undertaken by people from our geographical area within Devon and Cornwall and who serve locally and overseas totalling £8,125 - a 27% increase on 2018. These gifts aid their work in supporting Christian outreach which encompasses spiritual, medical, social and welfare support in a variety of countries in the UK and worldwide.

We continue our support of the fellowship centre in Kilkhampton through the provision of a church and village meeting centre under a faithful lay pastor who has held his respected position for a few years.

We also keep a watchful eye on costs incurred by all the work carried out in an effort to minimise these without harming progress in our main sphere of operation. This we do, by requesting a minimum of annual reports on their work. We aim to achieve a balance in creating maximum benefit for the Trust and its beneficiaries, our employee and volunteers, thereby acting responsibly in administering the funds entrusted to us. We are greatly indebted for the competence and dedication of staff associated with an untiring commitment demonstrated by them all.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

On behalf of the board of trustees

**Mr D M Thomas**

Trustee

Dated: 1 July 2020

# AQUILA FELLOWSHIP TRUST

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF AQUILA FELLOWSHIP TRUST

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I report on the accounts of the trust for the year ended 31 December 2019, which are set out on pages 6 to 12.

#### **Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- (i) examine the accounts under section 145 of the 2011 Act;
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- (iii) to state whether particular matters have come to my attention.

#### **Basis of independent examiner's report**

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

#### **Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
  - (i) to keep accounting records in accordance with section 130 of the 2011 Act; and
  - (ii) to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act;have not been met; or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Baldwins

Mr Andrew Baker FCA  
20 Western Road  
Launceston  
Cornwall  
PL15 7BA

Dated: 16 July 2020



# AQUILA FELLOWSHIP TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
<b><u>Incoming resources from generated funds</u></b>					
Donations and legacies	2	2,600	-	2,600	16,991
Activities for generating funds	3	56,403	-	56,403	57,506
Investment income	4	14,917	-	14,917	14,001
<b>Total incoming resources</b>		<b>73,920</b>	<b>-</b>	<b>73,920</b>	<b>88,498</b>
<b><u>Resources expended</u></b>					
<b>Costs of generating funds</b>					
Other administrative costs of generating funds		33,947	40	33,987	27,868
Fundraising trading: costs of goods sold	3	39,513	-	39,513	37,056
		<b>73,460</b>	<b>40</b>	<b>73,500</b>	<b>64,924</b>
<b>Net incoming resources available</b>		<b>460</b>	<b>(40)</b>	<b>420</b>	<b>23,574</b>
<b>Charitable activities</b>					
Grants and donations		8,125	-	8,125	6,400
Governance costs		1,541	-	1,541	1,705
<b>Total resources expended</b>		<b>83,126</b>	<b>40</b>	<b>83,166</b>	<b>73,029</b>
<b>Net (outgoing)/incoming resources before transfers</b>		<b>(9,206)</b>	<b>(40)</b>	<b>(9,246)</b>	<b>15,469</b>
Gross transfers between funds		300	(300)	-	-
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		<b>(8,906)</b>	<b>(340)</b>	<b>(9,246)</b>	<b>15,469</b>
Fund balances at 1 January 2019		323,054	758	323,812	308,343
<b>Fund balances at 31 December 2019</b>		<b>314,148</b>	<b>418</b>	<b>314,566</b>	<b>323,812</b>

# AQUILA FELLOWSHIP TRUST

## BALANCE SHEET

AS AT 31 DECEMBER 2019

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	Notes	2019 £	£	2018 £	£
<b>Fixed assets</b>					
Tangible assets	10		122,749		122,983
<b>Current assets</b>					
Stocks		40,213		39,394	
Debtors	11	1,282		1,437	
Cash at bank and in hand		154,589		164,859	
		<u>196,084</u>		<u>205,690</u>	
<b>Creditors: amounts falling due within one year</b>	12	<u>(4,267)</u>		<u>(4,861)</u>	
<b>Net current assets</b>			191,817		200,829
<b>Total assets less current liabilities</b>			<u>314,566</u>		<u>323,812</u>
<b>Income funds</b>					
Restricted funds	13		418		758
Unrestricted funds			314,148		323,054
			<u>314,566</u>		<u>323,812</u>

The accounts were approved by the Trustees on 1 July 2020

Mr D M Thomas  
**Trustee**

# AQUILA FELLOWSHIP TRUST

## NOTES TO THE ACCOUNTS

**FOR THE YEAR ENDED 31 DECEMBER 2019**

### 1 Accounting policies

#### 1.1 Basis of preparation

The accounts have been prepared under the historical cost convention.

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Charities Act 2011.

#### 1.2 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	20% reducing balance
Fixtures, fittings & equipment	20% reducing balance

#### 1.3 Stock

Stock is valued at the lower of cost and net realisable value.

### 2 Donations and legacies

	2019 £	2018 £
Donations and gifts	2,600	2,094
Legacies receivable	-	14,897
	<u>2,600</u>	<u>16,991</u>
<b>Donations and gifts</b>		
Unrestricted funds:		
Gift Aid	2,600	2,094
	<u>2,600</u>	<u>2,094</u>

### 3 Activities for generating funds

	2019 £	2018 £
Activities for generating funds	56,403	57,506
Fundraising trading: costs of goods sold	(39,513)	(37,056)
	<u>16,890</u>	<u>20,450</u>

# AQUILA FELLOWSHIP TRUST

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

### 4 Investment income

	2019 £	2018 £
Rental income	13,925	13,248
Interest receivable	992	753
	<u>14,917</u>	<u>14,001</u>

### 5 Total resources expended

	Staff costs £	Other costs £	Grant funding £	Total 2019 £	Total 2018 £
<b>Costs of generating funds</b>					
Other administrative costs of generating funds	18,482	15,505	-	33,987	27,868
Fundraising trading: costs of goods sold	-	39,513	-	39,513	37,056
Total	<u>18,482</u>	<u>55,018</u>	<u>-</u>	<u>73,500</u>	<u>64,924</u>
<b>Charitable activities</b>					
<u>Grants and donations</u>					
Grant funding of activities	-	-	8,125	8,125	6,400
<b>Governance costs</b>	-	1,541	-	1,541	1,705
	<u>18,482</u>	<u>56,559</u>	<u>8,125</u>	<u>83,166</u>	<u>73,029</u>

### 6 Grants payable

	Grants to institutions £	Grants to individuals £	Total 2019 £	Total 2018 £
Grants and donations	<u>6,525</u>	<u>1,600</u>	<u>8,125</u>	<u>6,400</u>

# AQUILA FELLOWSHIP TRUST

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

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### 7 Governance costs

	2019 £	2018 £
Other governance costs comprise:		
Accountancy fees	1,100	1,050
Credit card charges	441	655
	<u>1,541</u>	<u>1,705</u>

### 8 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year.

### 9 Employees

#### Number of employees

The average monthly number of employees during the year was:

2019 Number	2018 Number
<u>2</u>	<u>2</u>

#### Employment costs

	2019 £	2018 £
Wages and salaries	<u>18,482</u>	<u>17,636</u>

# AQUILA FELLOWSHIP TRUST

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

### 10 Tangible fixed assets

	Land and buildings	Plant and machinery	Fixtures, fittings & equipment	Total
	£	£	£	£
<b>Cost</b>				
At 1 January 2019	120,616	7,301	23,154	151,071
Additions	-	300	-	300
<b>At 31 December 2019</b>	<b>120,616</b>	<b>7,601</b>	<b>23,154</b>	<b>151,371</b>
<b>Depreciation</b>				
At 1 January 2019	-	6,679	21,410	28,089
Charge for the year	-	184	349	533
<b>At 31 December 2019</b>	<b>-</b>	<b>6,863</b>	<b>21,759</b>	<b>28,622</b>
<b>Net book value</b>				
<b>At 31 December 2019</b>	<b>120,616</b>	<b>738</b>	<b>1,395</b>	<b>122,749</b>
At 31 December 2018	120,616	623	1,744	122,983

### 11 Debtors

	2019 £	2018 £
Trade debtors	1,282	1,437

### 12 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	4,267	4,861

# AQUILA FELLOWSHIP TRUST

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

### 13 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2019 £	Movement in funds		Balance at 31 December 2019 £
		Incoming resources £	Outgoing resources £	
The Seedbed Trust	758	-	(340)	418
	<u>758</u>	<u>-</u>	<u>(340)</u>	<u>418</u>

In 2012 a grant of £6,000 was received from The Seedbed Trust, towards the creation of a website for the charity. By the 31 December 2019 £5,582 had been utilised by the Trust. In the year ended 31 December 2019 £300 from this grant was used to purchase a new computer for the Trust.

### 14 Analysis of net assets between funds

	£	Restricted Funds £	Total £
Fund balances at 31 December 2019 are represented by:			
Tangible fixed assets	122,749	-	122,749
Current assets	195,666	418	196,084
Creditors: amounts falling due within one year	(4,267)	-	(4,267)
	<u>314,148</u>	<u>418</u>	<u>314,566</u>