

Company registration number: 02608644

Charity registration number: 1002909

Gilead Foundations Charity

(A company limited by share capital)

Annual Report and Financial Statements

for the Year Ended 30 November 2019

Wortham Jaques Limited
Chartered Accountants & Charity Advisers
130a High Street
Crediton
Devon
EX17 3LQ

Gilead Foundations Charity

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Gilead Foundations Charity

Reference and Administrative Details

| | |
|------------------------------------|---|
| Trustees | Mr Chris Cole, Chair Dr Clem Ferris Mr Andrew Piddington Mr Albert Sloman Mr Matthew Williams |
| Secretary | Mrs Maria Ward |
| Principal Office | Risdon Farm Jacobstowe Okehampton Devon EX20 3AJ The charity is incorporated in England and Wales. |
| Company Registration Number | 02608644 |
| Charity Registration Number | 1002909 |
| Solicitors | Robinsons 10-11 St James Court Friar Gate Derby DE1 1BT |
| Bankers | NatWest Okehampton Devon |
| Independent Examiner | Wortham Jaques Limited Chartered Accountants & Charity Advisers 130a High Street Crediton Devon EX17 3LQ |

Gilead Foundations Charity

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 30 November 2019.

Trustees

Mr Chris Cole, Chair

Dr Clem Ferris

Mr Andrew Piddington (appointed 1 June 2019)

Mr Albert Sloman (appointed 20 March 2020)

Mr Matthew Williams (appointed 1 October 2019)

Rev Mike Davies (resigned 28 August 2019)

Rev Phil Cana (resigned 6 May 2019)

Structure, Governance and Management

Gilead Foundations Charity (GFC) is a company limited by guarantee governed by its Memorandum and Articles of Association. The Trustees are appointed in accordance with the terms of the Memorandum and Articles of Association.

Gilead Trustee board currently comprises of five Trustees: Chris Cole; Clem Ferris; Andrew Piddington; Matthew Williams and Albert Sloman, who are supported by the Company Secretary, Maria Ward. Each Trustee has responsibility for various areas of the charity – finance, fundraising and marketing, project structure and strategy, as well as risk assessment and compliance. This is achieved through regular online meetings via internet conferencing media, regular onsite involvement particularly by the local Trustees, also the Company Secretary works on site at GFC three days a week. Since August 2018 all aspects of the day to day operations and activities of the charity are under the control of the board of Trustees.

GFC Trustees are chosen based on skill sets seen to be required by the Charity. Potential trustees are placed on a year probationary period prior to being adopted as an actual trustee. The period of probation acts to provide the probationary trustee with a year in which to understand the workings of the charity and the risks associated with it. It also acts to provide a time period in which existing trustees can satisfy themselves that the probationary trustee is suitable for the position required. From then on the trustees discuss the requirements as laid out in the Charity Commission Document CC3 concerning the legal requirement of individual trustees. Where it is seen that further training is required then the relevant trustees will attend appropriate training courses.

Within the year Matthew Williams was invited to join the Board of Trustees. Matthew works as an Operational Manager within the Social Care sector and brings to the charity much needed specialist knowledge around the supported living legislation. Andrew Piddington has now been tasked with assuming oversight of the financial operations and management of the charity. All weekly income and expenditure is approved by Andrew and the Company Secretary, Maria Ward, has oversight and management of this on a weekly basis. Any payments that are outside of the regular weekly occurrences are authorised individually by Andrew Piddington. In an ongoing endeavour to strengthen the Trustee board, Mr Albert Sloman was invited to join the organisation in March 2020. Albert was formerly involved with GFC within the operational management team and accordingly brings much needed experience and knowledge around the day to day demands of the charity.

Chris Cole (GFC Chair and fund-raising trustee) has vast experience networking and being on the board of other charities and international organisations. This gives him the skill set required to advise and give guidance regarding the protocols, structure and legislation required as a charity.

GFC holds a Sponsor Licence with the Home Office to support and be responsible for overseas volunteers.

Gilead Foundations Charity

Trustees' Report

Risk Management

All risk management is carried out by the Charity. During each year, the Trustees and operational staff assess the charity's major risks and then undertake to address them as soon as it practicable, finances allowing. GFC is responsible to carry out relevant NFU Mutual Health and Safety Audits, which are made available to the GFC trustees and reviewed at the AGM.

The greatest risk for GFC continues to be in maintaining funding for the supported living costs. Government policy and funding opportunities are being monitored and researched on a regular basis, by GFC trustees.

GFC lease, at a peppercorn rent, just over 5 acres of land at Risdon Farm, upon which the new accommodation block, Grace Lodge, stands and two more are built up to their foundations. The buildings and contents are owned by GFC and now provide the charity with a strengthened balance sheet which has assisted the charity in going forwards and proving the solvency of the charity.

1. Objectives and Activities

GFC is established for the following objectives:

“To promote the mental and physical rehabilitation of persons suffering from drug and alcohol abuse or similar problems by providing therapy in connection therewith by teaching them the principles and values of the Christian faith and advancing their education – including the teaching of life skills – so as to better enable them to cope with the business of life.”

Following deregistration from the Care Quality Commission (CQC) GFC's principle activities involve supported accommodation and living incorporating skills training and work therapy supplied by the Samuel Partnership who own and operate Risdon Farm near Okehampton in Devon. The farm environment continues to provide, through the CA, an excellent and integral place for GFC residents to learn basic work ethics and life skills ready for when they re-integrate back into society.

GFC is a residential service which provides support through the extended family structure within which the residents (clients of the programme) live. The residents are under the care and supervision of house parents/ senior support workers. The initial cohort of male resident moved into the first new house, Grace Lodge, in September 2013. A staff couple took up the post as house parents and remained in this post until June 2016, a new couple then took up this role in July 2016, living and working at Grace Lodge. In 2017 the houseparents for Grace Lodge moved onto other employment and a single female Senior Support Worker moved in to cover this role. A single male support worker has also been resident at Grace Lodge since September 2013 working with the male residents. It has been the aim to keep Grace Lodge full at all times. The lodge can accommodate 8 male students and at present there are 7 clients in residence.

Residents come to GFC on a voluntary basis and are free to leave at any time. A will and determination to change their life is one of the key motivational factors in students entering and continuing on the programme.

The primary aims and objectives set by the charity are:

“Unlocking people from the effects of addiction, fear and pain, releasing them into their true potential, by teaching them to understand why they do things they don't want to do and how to do only what will bring real success and fulfilment, so that relapse is something of the past.”

Gilead Foundations Charity

Trustees' Report

The success of Gilead's approach to drug and alcohol addiction rehabilitation is accomplished by people coming and living together within a community structure on an extended family basis. Work experience and skill learning gives the students a sense of achievement and value. House parents and community members create the extended family and support for each student. The house parents and support workers provide weekly one-to-one support as well as a relapse prevention programme one-on-one basis. Activities such as group devotions and evening family gatherings are set up to impart family values, basic catering, domestic and life skills, as well as social activities. This community environment functions in a grace-based environment, working and training together so that all needs are met.

The farm provides work therapy in practical areas such as farm, maintenance and building, motor and engineering workshop, catering and domestics, administration and office work, for which the students receive certificates of competence.

The charity continues to receive support from personal donations and gifts in-kind to complement its operational costs to maintain the services being provided. This is promoted through letters to supporters outlining current needs for their donations. The applications team is in a monthly contact with referral agencies and there are some regional centres that regularly provide students. However, it is an ongoing challenge to secure funded student on a consistent basis.

The charity has, since November 2009 provided professional assistance in the running and staffing of a weekly addiction support group in the town of Okehampton, called Living Free. Living Free is solely operated and run by GFC, in coordination with a local management committee.

2. Social Benefit

GFC has been providing services that are of social and public benefit since 1991.

GFC aims to reach homeless and vulnerable adults suffering from drug and alcoholic compulsive behaviours and related problems of society. GFC has helped hundreds of people over the years. The charity has been recording the success rate of students who have left our service since 2005, keeping in touch with those leaving our service for up to 2 years, and longer in some cases.

The ongoing work of GFC is multidimensional and is included with parts of its mission statement – “Unlocking People, Releasing Potential”.

The purpose of GFC is to continue to work with vulnerable individuals, both male and female, single parents and whole families – homeless or locked in addictions, such as drug and alcohol abuse, dual diagnosis and learning difficulties, self-harm, family breakdown, criminal backgrounds, parenting difficulties and related problems.

Our aim is to see people released from such things moving into their true potential of having successful, fulfilled lifestyles, with career and personal domestic opportunities within society.

Whilst the charity bases its programme on Christian principles, there are no restrictions on accepting clients because of race, religion or gender.

Though the Trustees have sought to be financially accountable by increasing the number of funded residents, GFC has always had a guiding principle to take in people who have not been able to receive Local Authority funding nor have access to private funding.

With the aims of “Unlocking People, Releasing Potential”, the social benefit of the charity can clearly be identified.

Gilead Foundations Charity

Trustees' Report

3. Achievements and Performance

Gilead finds its main purpose in supporting the residents through a transitional period enabling them to fully reintegrate into being purposeful participants in society. Following the deregistration from CQC and the subsequent restructuring of GFC, resident numbers have started to increase once awareness of the redefined purpose have been circulated to agencies and supporters.

4. Financial Review

Incoming resources this year were £265,550 compared with £196,053 in the year to 30th November 2018. Our resources expended were £242,070 compared with £197,007. Our overall result was therefore a surplus for the year of £23,480 compared with a deficit of £954 in the previous year. Our funds at the year amounted to £388,840 of which £16,211 was held in restricted funds and £372,629 in unrestricted reserves. However, about £341,730 of this represents the value of Grace Lodge (net of related borrowing), leaving free reserves of about £35k.

5. Plans for Future

As indicated above Gilead Foundations Charity has now been set up as an Exempt Accommodation provision which can apply to the local authority for additional housing benefit to cover support costs for service users. The programme will therefore look to provide support and restoration to service users rather than a rehabilitation programme. The accommodation and programme will therefore be structured as “support accommodation” rather than a “care home”.

In order for these changes to be successful the following plans have been put in place:

5.1. A fundraising and marketing strategy has been developed under the direction of the financial and fundraising trustees (Andrew Piddington and Chris Cole) and Lois Samuel, Operations Manager, to ensure medium to long term stability. This includes a new initiative 12twelve and 24twelve which encourages individuals and churches to financial support students who are unable to raise the fees for the programme through giving £12 or £24 a month for 12 months.

5.2 Accommodation – it is still our aim to complete the two remaining accommodation blocks and we continue to raise funds for the 2nd lodge, Faith Lodge, for which the foundations have been completed.

5.3 Resident Numbers – there are currently seven service users on site, in addition to this a waiting list has been developed to ensure that occupancy can be maintained at a higher level. The new Supporting Accommodation programme which will continue to offer restoration and support to people who have had “life controlling” problems.

The annual report was approved by the trustees of the charity on 13 July 2020 and signed on its behalf by:

.....
Mr Andrew Piddington
Trustee

Gilead Foundations Charity

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Gilead Foundations Charity for the purposes of company law) are responsible for preparing the trustees' report and 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.

Gilead Foundations Charity

Independent Examiner's Report to the trustees of Gilead Foundations Charity

I report to the charity trustees on my examination of the accounts of the charity for the year ended 30 November 2019 which are set out on pages 8 to 23.

Respective responsibilities of trustees and examiner

As the charity's trustees of Gilead Foundations Charity (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 Gilead Foundations Charity 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

Since Gilead Foundations Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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 Gilead Foundations Charity 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.

.....
Charlotte Gibbs BFP ACA
Wortham Jaques Limited
Chartered Accountants & Charity Advisers

130a High Street
Crediton
Devon
EX17 3LQ

21 July 2020

Gilead Foundations Charity

Statement of Financial Activities for the Year Ended 30 November 2019 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

| | Note | Unrestricted funds £ | Restricted funds £ | Total 2019 £ |
|------------------------------------|------|----------------------------|--------------------------|-----------------------|
| Income and Endowments from: | | | | |
| Donations and legacies | 3 | 52,928 | 20,117 | 73,045 |
| Charitable activities | 4 | 171,501 | - | 171,501 |
| Investment income | 5 | 50 | - | 50 |
| Other income | 6 | 20,954 | - | 20,954 |
| Total income | | <u>245,433</u> | <u>20,117</u> | <u>265,550</u> |
| Expenditure on: | | | | |
| Charitable activities | 7 | <u>(233,863)</u> | <u>(8,207)</u> | <u>(242,070)</u> |
| Total expenditure | | <u>(233,863)</u> | <u>(8,207)</u> | <u>(242,070)</u> |
| Net income | | 11,570 | 11,910 | 23,480 |
| Transfers between funds | | <u>13,490</u> | <u>(13,490)</u> | <u>-</u> |
| Net movement in funds | | 25,060 | (1,580) | 23,480 |
| Reconciliation of funds | | | | |
| Total funds brought forward | | <u>347,569</u> | <u>17,791</u> | <u>365,360</u> |
| Total funds carried forward | 20 | <u><u>372,629</u></u> | <u><u>16,211</u></u> | <u><u>388,840</u></u> |

Gilead Foundations Charity

Statement of Financial Activities for the Year Ended 30 November 2019 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

| | Note | Unrestricted funds £ | Restricted funds £ | Total 2018 £ |
|------------------------------------|------|----------------------------|--------------------------|-----------------------|
| Income and Endowments from: | | | | |
| Donations and legacies | 3 | 50,029 | 21,543 | 71,572 |
| Charitable activities | 4 | 107,128 | - | 107,128 |
| Investment income | 5 | 3 | - | 3 |
| Other income | 6 | 17,350 | - | 17,350 |
| Total income | | <u>174,510</u> | <u>21,543</u> | <u>196,053</u> |
| Expenditure on: | | | | |
| Charitable activities | 7 | <u>(182,903)</u> | <u>(14,103)</u> | <u>(197,006)</u> |
| Total expenditure | | <u>(182,903)</u> | <u>(14,103)</u> | <u>(197,006)</u> |
| Net (expenditure)/income | | (8,393) | 7,440 | (953) |
| Transfers between funds | | <u>7,709</u> | <u>(7,709)</u> | - |
| Net movement in funds | | (684) | (269) | (953) |
| Reconciliation of funds | | | | |
| Total funds brought forward | | <u>348,253</u> | <u>18,060</u> | <u>366,313</u> |
| Total funds carried forward | 20 | <u><u>347,569</u></u> | <u><u>17,791</u></u> | <u><u>365,360</u></u> |

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

The funds breakdown for 2019 and 2018 is shown in note 20.

Gilead Foundations Charity
(Registration number: 02608644)
Balance Sheet as at 30 November 2019

| | Note | 2019 £ | 2018 £ |
|--|------|-----------------------|-----------------------|
| Fixed assets | | | |
| Tangible assets | 14 | 510,119 | 512,291 |
| Investments | 15 | <u>150</u> | <u>150</u> |
| | | <u>510,269</u> | <u>512,441</u> |
| Current assets | | | |
| Debtors | 16 | 11,404 | 7,753 |
| Cash at bank and in hand | 17 | <u>29,595</u> | <u>28,880</u> |
| | | 40,999 | 36,633 |
| Creditors: Amounts falling due within one year | 18 | <u>(23,739)</u> | <u>(28,288)</u> |
| Net current assets | | <u>17,260</u> | <u>8,345</u> |
| Total assets less current liabilities | | 527,529 | 520,786 |
| Creditors: Amounts falling due after more than one year | 19 | <u>(138,689)</u> | <u>(155,426)</u> |
| Net assets | | <u><u>388,840</u></u> | <u><u>365,360</u></u> |
| Funds of the charity: | | | |
| Restricted income funds | | | |
| Restricted funds | 20 | 16,211 | 17,791 |
| Unrestricted income funds | | | |
| Unrestricted funds | | <u>372,629</u> | <u>347,569</u> |
| Total funds | 20 | <u><u>388,840</u></u> | <u><u>365,360</u></u> |

For the financial year ending 30 November 2019 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

Gilead Foundations Charity
(Registration number: 02608644)
Balance Sheet as at 30 November 2019

The financial statements on pages 8 to 23 were approved by the trustees, and authorised for issue on 13 July 2020 and signed on their behalf by:

.....
Mr Andrew Piddington
Trustee

Gilead Foundations Charity

Notes to the Financial Statements for the Year Ended 30 November 2019

1 Charity status

The charity is limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Risdon Farm

Jacobstowe

Okehampton

Devon

EX20 3AJ

These financial statements were authorised for issue by the trustees on 13 July 2020.

2 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). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

Gilead Foundations Charity 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.

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.

Gilead Foundations Charity

Notes to the Financial Statements for the Year Ended 30 November 2019

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.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Gifts in kind

Gifts in kind are recognised in different ways dependent on how they are used by the charity:

- (i) Those donated for resale produce income when they are sold. They are valued at the amount actually realised.
- (ii) Those donated for onward transmission to beneficiaries are included in the Statement of Financial Activities as incoming resources and resources expended when they are distributed. They are valued at the amount the charity would have had to pay to acquire them.
- (iii) Those donated for use by the charity itself are included when receivable. They are valued at the amount the charity would have had to pay to acquire them.

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 trustees's meetings and reimbursed expenses.

Gilead Foundations Charity

Notes to the Financial Statements for the Year Ended 30 November 2019

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 £100.00 or more are initially recorded at cost.

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 |
|-------------------------------|------------------------------|
| Long-leasehold property | 4% reducing balance basis |
| Office and computer equipment | 25% reducing balance basis |

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.

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.

Gilead Foundations Charity

Notes to the Financial Statements for the Year Ended 30 November 2019

Fund structure

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

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.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

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.

Gilead Foundations Charity

Notes to the Financial Statements for the Year Ended 30 November 2019

3 Income from donations and legacies

| | Unrestricted funds | Restricted funds | Total 2019 | Total 2018 |
|-----------------------------------|--------------------|------------------|---------------|---------------|
| | General £ | £ | £ | £ |
| Donations and legacies; | | | | |
| Donations from individuals | 43,295 | 3,802 | 47,097 | 47,156 |
| Gift aid reclaimed | 7,233 | - | 7,233 | 3,840 |
| Grants, including capital grants; | | | | |
| Grants from other charities | - | 16,315 | 16,315 | 11,223 |
| Gifts in kind | 2,400 | - | 2,400 | 9,353 |
| | <u>52,928</u> | <u>20,117</u> | <u>73,045</u> | <u>71,572</u> |

4 Income from charitable activities

| | Unrestricted funds | Total 2019 | Total 2018 |
|-----------------|--------------------|----------------|----------------|
| | General £ | £ | £ |
| Student support | <u>171,501</u> | <u>171,501</u> | <u>107,128</u> |

5 Investment income

| | Unrestricted funds | Total 2019 | Total 2018 |
|---|--------------------|------------|------------|
| | General £ | £ | £ |
| Interest receivable and similar income; | | | |
| Interest receivable on bank deposits | <u>50</u> | <u>50</u> | <u>3</u> |

6 Other income

| | Unrestricted funds | Total 2019 | Total 2018 |
|-------------------|--------------------|---------------|---------------|
| | General £ | £ | £ |
| Fees and supplies | 1,189 | 1,189 | - |
| Rental income | <u>19,765</u> | <u>19,765</u> | <u>17,350</u> |
| | <u>20,954</u> | <u>20,954</u> | <u>17,350</u> |

Gilead Foundations Charity

Notes to the Financial Statements for the Year Ended 30 November 2019

7 Expenditure on charitable activities

| | | Unrestricted funds | Restricted funds | Total 2019 | Total 2018 |
|------------------|------|-----------------------|---------------------|----------------|----------------|
| | Note | General £ | £ | £ | £ |
| Student support | | 145,954 | 8,207 | 154,161 | 125,836 |
| Ministry | | 4,588 | - | 4,588 | 12,827 |
| Staff costs | | 65,497 | - | 65,497 | 26,823 |
| Governance costs | 8 | 17,824 | - | 17,824 | 31,520 |
| | | <u>233,863</u> | <u>8,207</u> | <u>242,070</u> | <u>197,006</u> |

8 Analysis of governance and support costs

Governance costs

| | Unrestricted funds | Total 2019 | Total 2018 |
|---|-----------------------|---------------|---------------|
| | General £ | £ | £ |
| Staff costs | | | |
| Wages and salaries | - | - | 5,051 |
| Independent examiner fees | | | |
| Examination of the financial statements | 1,968 | 1,968 | 1,968 |
| Other fees paid to examiners | - | - | 804 |
| Trustees remuneration and expenses | 3,763 | 3,763 | 3,105 |
| Legal fees | 12,093 | 12,093 | 20,593 |
| Other governance costs | - | - | (1) |
| | <u>17,824</u> | <u>17,824</u> | <u>31,520</u> |

Gilead Foundations Charity

Notes to the Financial Statements for the Year Ended 30 November 2019

9 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

| | 2019 £ | 2018 £ |
|------------------------------|---------------|---------------|
| Depreciation of fixed assets | <u>16,012</u> | <u>14,334</u> |

10 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

Mr Chris Cole

£168 (2018: £242) of expenses were reimbursed to Mr Chris Cole during the year.

Dr Clem Ferris

£2,039 (2018: £2,000) of expenses were reimbursed to Dr Clem Ferris during the year.

Mr Andrew Piddington

£1,340 (2018: £341) of expenses were reimbursed to Mr Andrew Piddington during the year.

Rev Phil Cana

£Nil (2018: £341) of expenses were reimbursed to Rev Phil Cana during the year.

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any other benefits from the charity during the year.

11 Staff costs

The aggregate payroll costs were as follows:

| | 2019 £ | 2018 £ |
|--|---------------|---------------|
| Staff costs during the year were: | | |
| Wages and salaries | 64,409 | 31,174 |
| Social security costs | 649 | 600 |
| Pension costs | <u>439</u> | <u>100</u> |
| | <u>65,497</u> | <u>31,874</u> |

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

12 Independent examiner's remuneration

| | 2019 £ | 2018 £ |
|---|--------------|--------------|
| Examination of the financial statements | <u>1,968</u> | <u>1,968</u> |
| Other fees to examiners | | |
| All other services | <u>-</u> | <u>804</u> |

Gilead Foundations Charity

Notes to the Financial Statements for the Year Ended 30 November 2019

13 Taxation

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

14 Tangible fixed assets

| | Land and buildings £ | Furniture and equipment £ | Motor vehicles £ | Total £ |
|-----------------------|----------------------------|---------------------------------|------------------------|----------------|
| Cost | | | | |
| At 1 December 2018 | 583,945 | 152,711 | - | 736,656 |
| Additions | <u>4,332</u> | <u>3,508</u> | <u>6,000</u> | <u>13,840</u> |
| At 30 November 2019 | <u>588,277</u> | <u>156,219</u> | <u>6,000</u> | <u>750,496</u> |
| Depreciation | | | | |
| At 1 December 2018 | 84,115 | 140,250 | - | 224,365 |
| Charge for the year | <u>11,581</u> | <u>2,931</u> | <u>1,500</u> | <u>16,012</u> |
| At 30 November 2019 | <u>95,696</u> | <u>143,181</u> | <u>1,500</u> | <u>240,377</u> |
| Net book value | | | | |
| At 30 November 2019 | <u>492,581</u> | <u>13,038</u> | <u>4,500</u> | <u>510,119</u> |
| At 30 November 2018 | <u>499,830</u> | <u>12,461</u> | <u>-</u> | <u>512,291</u> |

Included within the net book value of land and buildings above is £Nil (2018 - £Nil) in respect of freehold land and buildings and £492,581 (2018 - £499,830) in respect of leaseholds.

15 Fixed asset investments

| | 2019 £ | 2018 £ |
|-------------------|------------|------------|
| Other investments | <u>150</u> | <u>150</u> |

Gilead Foundations Charity

Notes to the Financial Statements for the Year Ended 30 November 2019

Other investments

| | Unlisted investments £ | Total £ |
|--------------------------|------------------------------|------------|
| Cost or Valuation | | |
| At 1 December 2018 | 150 | 150 |
| At 30 November 2019 | 150 | 150 |
| Net book value | | |
| At 30 November 2019 | 150 | 150 |
| At 30 November 2018 | 150 | 150 |

16 Debtors

| | 2019 £ | 2018 £ |
|---------------|-----------|-----------|
| Trade debtors | 9,337 | 3,495 |
| Other debtors | 2,067 | 4,258 |
| | 11,404 | 7,753 |

17 Cash and cash equivalents

| | 2019 £ | 2018 £ |
|--------------|-----------|-----------|
| Cash on hand | 265 | 587 |
| Cash at bank | 29,330 | 28,293 |
| | 29,595 | 28,880 |

18 Creditors: amounts falling due within one year

| | 2019 £ | 2018 £ |
|------------------------------------|-----------|-----------|
| Bank loans | 4,717 | 5,031 |
| Trade creditors | 848 | 7,353 |
| Other loans | 13,069 | 12,580 |
| Other taxation and social security | 1,219 | 356 |
| Other creditors | 750 | 1,000 |
| Accruals | 820 | 1,968 |
| Deferred income | 2,316 | - |
| | 23,739 | 28,288 |

Gilead Foundations Charity

Notes to the Financial Statements for the Year Ended 30 November 2019

19 Creditors: amounts falling due after one year

| | 2019 £ | 2018 £ |
|-------------|----------------|----------------|
| Bank loans | 1,214 | 5,412 |
| Other loans | 137,475 | 150,014 |
| | <u>138,689</u> | <u>155,426</u> |

20 Funds

| | Balance at 1 December 2018 £ | Incoming resources £ | Resources expended £ | Transfers £ | Balance at 30 November 2019 £ |
|-----------------------------|---------------------------------------|----------------------------|----------------------------|-----------------|---|
| Unrestricted funds | | | | | |
| <i>General</i> | | | | | |
| Unrestricted Funds | 347,569 | 243,033 | (233,863) | 13,490 | 370,229 |
| Restricted funds | | | | | |
| New residential development | 2,342 | - | - | (875) | 1,467 |
| Church and Living Free | 6,177 | - | - | - | 6,177 |
| Computers | - | 500 | (23) | (477) | - |
| New office | 20 | - | - | - | 20 |
| Horticultural project | 968 | 1,446 | (115) | - | 2,299 |
| Renewables | 20 | - | - | - | 20 |
| Toilet block | 1,250 | 6,000 | - | (3,457) | 3,793 |
| Awards for All | 7,014 | - | (5,087) | - | 1,927 |
| Residents food | - | 2,000 | (1,992) | - | 8 |
| Leisure fund | - | 500 | - | - | 500 |
| People carrier | - | 6,000 | - | (6,000) | - |
| Residents allowance | - | 990 | (990) | - | - |
| | <u>17,791</u> | <u>17,436</u> | <u>(8,207)</u> | <u>(10,809)</u> | <u>16,211</u> |
| Total funds | <u>365,360</u> | <u>260,469</u> | <u>(242,070)</u> | <u>2,681</u> | <u>386,440</u> |

Gilead Foundations Charity

Notes to the Financial Statements for the Year Ended 30 November 2019

| | Balance at 1 December 2017 £ | Incoming resources £ | Resources expended £ | Transfers £ | Balance at 30 November 2018 £ |
|---------------------------------|---------------------------------------|----------------------------|----------------------------|-----------------|---|
| Unrestricted funds | | | | | |
| <i>General</i> | | | | | |
| Unrestricted income fund | 338,253 | 174,511 | (182,904) | 17,709 | 347,569 |
| <i>Designated</i> | | | | | |
| Housing benefit claims | 10,000 | - | - | (10,000) | - |
| Total unrestricted funds | <u>348,253</u> | <u>174,511</u> | <u>(182,904)</u> | <u>7,709</u> | <u>347,569</u> |
| Restricted funds | | | | | |
| New residential development | 7,092 | - | - | (4,750) | 2,342 |
| Church and Living Free | 8,684 | 10,320 | (12,827) | - | 6,177 |
| New office | 553 | - | (533) | - | 20 |
| Horticultural project | 1,291 | - | (323) | - | 968 |
| Renewables | 440 | - | (420) | - | 20 |
| Toilet block | - | 1,250 | - | - | 1,250 |
| Awards for All | - | 9,973 | - | (2,959) | 7,014 |
| Total restricted funds | <u>18,060</u> | <u>21,543</u> | <u>(14,103)</u> | <u>(7,709)</u> | <u>17,791</u> |
| Total funds | <u><u>366,313</u></u> | <u><u>196,054</u></u> | <u><u>(197,007)</u></u> | <u><u>-</u></u> | <u><u>365,360</u></u> |

The specific purposes for which the funds are to be applied are as follows:

Restricted funds:

New residential development: The charity is raising funds for the development of a new residential unit.

Church and Living Free: Money donated to the charity to be contributed to other missions.

The other restricted funds are for the purposes implicit in their titles.

The transfers from restricted funds to unrestricted funds reflects compliance with the terms of the restriction on grants and donations for the acquisition of new capital assets.

Gilead Foundations Charity

Notes to the Financial Statements for the Year Ended 30 November 2019

21 Analysis of net assets between funds

| | Unrestricted funds | | Total funds at 30 November 2019 |
|-------------------------|--------------------|-----------------------|---------------------------------|
| | General £ | Restricted funds £ | £ |
| Tangible fixed assets | 510,119 | - | 510,119 |
| Fixed asset investments | 150 | - | 150 |
| Current assets | 24,788 | 16,211 | 40,999 |
| Current liabilities | (23,739) | - | (23,739) |
| Creditors over 1 year | (138,689) | - | (138,689) |
| Total net assets | <u>372,629</u> | <u>16,211</u> | <u>388,840</u> |

| | Unrestricted funds | | Total funds at 30 November 2018 |
|-------------------------|--------------------|-----------------------|---------------------------------|
| | General £ | Restricted funds £ | £ |
| Tangible fixed assets | 512,291 | - | 512,291 |
| Fixed asset investments | 150 | - | 150 |
| Current assets | 22,530 | 14,103 | 36,633 |
| Current liabilities | (28,289) | - | (28,289) |
| Creditors over 1 year | (155,426) | - | (155,426) |
| Total net assets | <u>351,256</u> | <u>14,103</u> | <u>365,359</u> |