

Avery Hill Charitable Trust

(A Company Limited by Guarantee)

Report and Financial Statements

Year Ended 28th February 2017

Charity Number: 1103393
Company Number: 5039769

Avery Hill Charitable Trust

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

Avery Hill Charitable Trust

Report of the trustees for the year ended 28th February 2017

The trustees are pleased to present their report together with the financial statements of the charity for the year ending 28th February 2017.

Reference and administrative information

Charity and Company Number

Charity number: 1103393

Company Number: 5039769

Registered Office and Church Premises

Southspring, Sidcup, Kent DA15 8EA

Trustees and Directors

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

Mr P Piper, Chair

Ms L Adewole

Ms C Denwigwe (Appointed 8th December 2016)

Mr M Barnes

Mrs M Day (Resigned 21st October 2016)

Mrs D Hutchinson (Resigned 2nd December 2016)

Mrs W Taylor (Appointed 18th May 2017)

Minister

Mr D Williams

Assistant Minister

Mr A Masters

Foodbank Manager

Gill Bates

Independent Examiner

Mr S Mathews, Stewardship, 1 Lamb's Passage, London, EC1Y 8AB

Bankers

Santander

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

Structure, Governance and Management

Avery Hill Charitable Trust is a charitable company limited by guarantee, incorporated on 10th February 2004 and registered as a charity on 26th April 2004. Church activities are carried out under the name of Avery Hill Christian Fellowship while that of the Foodbank under the name of Bexley Foodbank. The company was established under a Memorandum of Association, which set the objects and powers of the charitable company and is governed under its Articles of Association. Membership is open to those over 18 who subscribe to the Statement of Beliefs contained in the Memorandum and Articles of Association and are accepted by the Board of trustees. There are currently twelve members (fourteen in 2016) of the Company, each of whom agrees to contribute £1 in the event of the charity winding up.

In accordance with the Articles of Association the minimum number of Trustees is three. Each year one third of the Trustees are to retire and be available for election at the AGM. No person may be appointed a Trustee unless over the age of eighteen years of age and subscribes to the Statement of Beliefs. It is expected that new Trustees will be appointed

Avery Hill Charitable Trust

from within the church. The board of trustees currently consist of five people who meet on a regular basis to administer the charity.

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

Risk

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

Objectives and activities

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

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

Achievements and performance

The main service is the weekly Sunday worship meeting held at Southspring with an average weekly attendance of 65 people. During the course of the year there were a number of special services including child dedication, baptism, Easter and Christmas services. On the first weekend in September an event called Going Deeper was held at Pilgrim Hall and at the church to provide spiritual encouragement and challenge to the congregation.

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

In September the church was pleased to welcome Ben McFall who was appointed part time youth worker. Ben is an Oasis student and divides his time between youth work at the church and his studies.

We were also pleased that Andy Masters was able to move from being Minister in Training to part-time Assistant Minister on the successful completion of his theology degree in June.

Avery Hill Charitable Trust

Dave Williams and Andy Masters both take assemblies once a month at Alderwood School and assist in different ways at other times. An interactive Experience Easter event was done at the school for the whole of years 5 and 6.

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

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

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

The Foodbank collected some 42,429 kg of food and distributed 37,489 kg to 3,921 clients during the year. The distribution was a slight reduction of 349 kg in the amount of food granted to clients over the previous year. Over 100 volunteers helped to collect, sort, transport and distribute the food. The charity is grateful to Gill, the Foodbank Manager, the volunteers and other supporters without which the Foodbank could not operate.

During the year a complete replacement of the church kitchen was completed at a cost of £26,600. The work included the fitting of a new gas boiler, cooker, fridge-freezer and storage units. Volunteers have undertaken training in food hygiene so that the kitchen can be used for the benefit of the community as well as the church.

The Trustees have complied with the duty to have due regard to the public benefit guidance published by the Charity Commission in December 2008.

Financial review

Total income for the year amounted to £237,824 compared to expenditure of £186,459, resulting in a surplus of £51,365. The surplus for the year was attributable to a general fund surplus of £51,869 and a deficit of £504 on restricted activities.

The surplus on the general fund was due to a legacy from the estate of Gladys Girling deceased who was a former member of the church. Probate has been granted with the receipt of funds expected in calendar year 2017.

Reserves Policy

The general reserve now stands at £194,198 of which £2,434 is in a designated fund. The Trustees consider that unrestricted funds not committed or invested in tangible assets ("the free reserves") held by the charity should be the sum of three months' expenses and two and a half years rent, approximately £60,000. As at the 28th February 2017, free reserves were significantly above this amount but will reduce due to the planned expenditure on the church building.

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

Plans for future periods

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

Weekly worship service
Midweek prayer and bible study meetings at the church

Avery Hill Charitable Trust

Connect groups
Children's and youth meetings
Parent & Toddlers group
N40s group for retired people
The Big Lunch
After school clubs at the church
Bexley Foodbank and Information Point

The Leadership Team and Trustees have agreed to continue the upgrade of the church building by the creation of a small office, meeting room and community space. This decision was presented to and affirmed by the church at a meeting held on the 15th March 2017. The estimated cost of the works is £20,000.

Trustees' responsibilities in relation to the financial statements

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

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

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time, the financial position of the charitable company and to enable then to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent examiner

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

Signed on behalf of the trustees

P J Piper (Chairman)

5th September 2017

Avery Hill Charitable Trust

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF AVERY HILL CHARITABLE TRUST

I have examined the accounts for the year ended 28th February 2017 on pages 6 to 12 following which have been prepared on the basis of the accounting policies set out on page 8.

Respective responsibilities of the Directors/Trustees and Examiner

The directors/trustees of the company are responsible for the preparation of accounts; they consider that the audit requirements under Section 144 of the Charities Act 2011 do not apply but that an independent examination is needed. I have been appointed to conduct an Independent Examination required by Section 145 of the Charities Act, 2011 and to report in accordance with the regulations made under Section 145 of that Act. It is my responsibility to examine the accounts, without performing an audit, and to report to the trustees.

Having satisfied myself that the company is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- (1) examine the accounts under Section 145 of the Charities Act 2011;
- (2) follow the procedures laid down in the general Directions given by the Charity Commission under Section 145(5)(b) of the Charities Act 2011;
- (3) state whether particular matters have come to my attention.

Basis of Examiner's Statement

This report is in respect of an examination carried out under Section 145 of the Charities Act 2011, and in accordance with the general directions given by the Charity Commissioners. 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 a review of the accounts and making such enquiries as are necessary for the purpose of this report. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Examiner's Statement

In my opinion:-

Based on my examination, no matter has come to my attention which gives me reasonable cause to believe that in any material respect, accounting records have not been kept in accordance with section 386 of the Companies Act 2006, or that the accounts presented do not accord with those records, or comply with the accounting requirements of section 396 of the Companies Act 2006. No matter has come to my notice in connection with my examination to which, in my opinion, attention should be drawn to enable a proper understanding of the accounts.

Stephen Mathews, FCA
Stewardship
1 Lamb's Passage
London
EC1Y 8AB

28th September 2017

Avery Hill Charitable Trust

Statement of Financial Activities (Including Income and Expenditure account) for the year ended 28th February 2017

	<i>Notes</i>	<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>Total Funds 2017</i>	<i>Total Funds 2016</i>
Incoming Resources					
Incoming resources from generated funds:					
Donations and Legacies	2	150,318	76,339	226,657	182,114
Charitable Activities	3	515	10,652	11,167	11,240
Investment income	4	-	-	-	7
Total Incoming Resources		150,833	86,991	237,824	193,361
Resources Expended					
Charitable Activities	5	98,964	87,495	186,459	183,186
Net Incoming (Outgoing) Resources for the Year		51,869	(504)	51,365	10,175
Reconciliation of Funds					
Total Funds brought forward		142,329	8,383	150,712	140,537
Total Funds carried forward		194,198	7,879	202,077	150,712

Avery Hill Charitable Trust

Balance Sheet as at 28th February 2017

			2017	2016
	Notes	£	£	£
Tangible Assets	8		23,954	500
Current Assets				
Debtors	9	53,037		2,957
Prepayments		1,647		1,471
Cash at bank		<u>125,573</u>		<u>147,714</u>
			180,257	152,142
Creditors: amounts falling due within one year				
Accruals			<u>(2,134)</u>	<u>(1,930)</u>
Net Current Assets				150,212
Net Assets	10		<u>202,077</u>	<u>150,712</u>
Unrestricted Funds				
General Fund			191,764	139,895
Designated			2,434	2,434
Restricted Funds			7,879	8,383
Total Funds	11		<u>202,077</u>	<u>150,712</u>

For the year ended 28th February 2017, the company was entitled to the exemption from audit under Section 477 of the Companies Act 2006 relating to small companies.

Responsibilities of trustees:

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

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

Approved by the board of Trustees on the 5th September 2017 and signed on its behalf by:

P Piper
Trustee

Company number: 5039768
Charity number: 1103393

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

Avery Hill Charitable Trust

Notes forming part of the financial statements for the year ended 28th February 2017

1. Accounting policies

- a) The financial accounts have been prepared under the historic cost convention, in accordance with applicable accounting standards and follow the Charities Statement of Recommended Practice (FRS102) 2015 and the Companies Act 2006.
- b) Income is received by way of donations and gifts and is included in full in the Statement of Financial Activities in the year in which they are receivable.
- c) The charity has relied significantly upon volunteers in carrying out its activities during the year. In accordance with paragraph 6.18 of the SORP, the role of volunteers has not been recognised as income from donated services in the accounts.
- d) Incoming resource from investment income is included when receivable.
- e) Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT, which cannot be recovered.
- f) Donated goods are recognised as income when distributed (see note 11) as the cost of valuation is considered to outweigh the benefit of providing the information. As a consequence, no stock figure is recorded at the year-end.
- g) Fixed assets acquired for use by the charity are capitalised and depreciated over their estimated useful life unless they cost less than £2,500 when they are written off on purchase. Depreciation periods are as follows:
 - Leasehold improvements and equipment 5 years.
- h)
- i) Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds
- j) Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure, which meets these criteria, is charged to the fund.

2. Donations and Legacies

	Unrestricted	Restricted	2017 Total	2016 Total
	£	£		£
Donations	100,318	13,357	113,675	118,546
Food Donations	-	62,982	62,982	63,568
Legacies	50,000	-	50,000	-
Total	150,318	76,339	226,657	182,114

Donations primarily consist of gifts from those attending the church. Food donations is the estimated value of donated food to the Foodbank granted to clients. Legacies consists of the expected share in the estate of Gladys Girling deceased a former member of the church. Probate has been granted to the Executors of the estate and the assets are in the process of being realised.

Avery Hill Charitable Trust

3. Incoming resources from charitable activities

	Unrestricted	Restricted	2017 Total	2016 Total
	£	£		£
Gifts for use of Hall	419	-	419	-
Soul Survivor	-	-	-	1,240
Going Deeper		632	632	-
Grants	-	10,000	10,000	10,000
Other	96	20	116	-
Total	515	10,652	11,167	11,240

Grant income consists of a grant received from Bexley Council for the rental of a storage facility for the Foodbank. Going Deeper income represents payments from those attending the Going Deeper event. Other income consists of money received from sales of food at a youth tuck shop (£96) and income from a ladies meeting (£20).

4. Investment income

Investment income comprises interest on deposit with the charity's bankers totalling £- (£7 in 2016).

5. Charitable Activities

	Unrestricted	Restricted	2017 Total	2016 Total
	£	£		£
People	55,240	9,389	64,629	60,960
Fellowship Expenses	2,653	632	3,285	5,626
Premises & Equipment	21,164	10,000	31,164	29,255
Church Activities	815	-	815	979
Foodbank	911	64,586	65,497	66,014
Grants and Donations	17,311	2,888	20,199	19,766
Independent Examination Costs	870	-	870	586
Total	98,964	87,495	186,459	183,186

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

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

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

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

Foodbank consists of the non-staff costs of running the Foodbank and the estimated value of food granted to clients. During the year the value of food was estimated at £62,982 (2016: £63,568)

Grants and Donations include gifts to missionaries and support for iNet totalling £15,157 (last year (£12,175). Other gifts include support for XLP £2,400 (last year £2,400),

Avery Hill Charitable Trust

Christian Resources in Bexley Schools £475 (last year £250) and Lark in the Park £1,500 (last year £1,500).

Fees payable to Stewardship, other than for the independent examination, for payroll bureau services, totalled £981 (2016:£715).

6. Staff costs and numbers

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

	2017	2016
		£
Salaries	57,576	53,016
Pension Costs	3,090	1,080
Social Security Costs	727	1,394
Relocation Costs	-	2,500
Total	61,393	57,990

Remuneration paid to key management amounted to £ 54,178 in the year (2016: £49,008). Key management is considered to be the Minister, Assistant Minister and the Foodbank Manager.

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

7. Trustees remuneration and related party transactions

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

The total amount donated to the charity by trustees was £54,762.

8. Tangible Assets

Tangible assets comprise leasehold improvements and the purchase of equipment.

	Cost	Depreciation	Net Book Value
	£	£	£
At 1 st March 2016	10,569	10,569	-
Additions	26,615	2,661	23,954
At 28 th February 2017	37,184	13,230	23,954

9. Debtors

Debtors comprise the following:

	2017	2016
	£	£
HMRC Charities	3,037	2,957
Estate of Gladys Girling deceased	50,000	-
Total	53,037	2,957

Avery Hill Charitable Trust

10. Analysis of net assets between funds

	General Funds	Designated Funds	Restricted Funds	Total Funds
Fixed Assets	23,954	-	-	23,954
Debtors	52,940	-	97	53,037
Prepayments	1,647	-	-	1,647
Cash at Bank	115,117	2,434	8,022	125,573
Accruals	(1,894)	-	(240)	(2,134)
Total	191,764	2,434	7,879	202,077

11. Movement in funds

	Funds at 29/2/16	Incoming Resources	Outgoing Resources	Funds at 28/2/17
	£	£	£	£
Restricted Funds				
Foodbank	6,253	84,102	83,976	6,379
Events	-	632	632	-
Humanitarian	264	20	-	284
Missionaries	863	2,237	2,887	213
Parents & Toddlers	1,003	-	-	1,003
<i>Total restricted funds</i>	8,383	86,991	87,495	7,879
Unrestricted Funds				
General	139,895	150,833	98,964	191,764
Designated – Property & Equipment	2,434	-	-	2,434
<i>Total unrestricted funds</i>	142,329	150,833	98,964	194,198
Total Funds	150,712	237,824	186,459	202,077

Purpose of restricted funds

Foodbank: This relates to gifts received and payments made for the Bexley Foodbank provided by the church. This includes gifts in kind of food and other items with an estimated value of £62,982.

Events: Comprises income and expenditure in relation to the Going Deeper weekend.

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

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

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

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

Avery Hill Charitable Trust

Detailed Statement of Financial Activities with Comparatives

		Unrestricted Funds - General		Restricted Funds		Total Funds	Total Funds
	Note	2017	2016	2017	2016	2017	2016
		£	£	£	£	£	£
Incoming resources from generated funds:							
Donations and Legacies	2	150,318	101,942	76,339	80,172	226,657	182,114
Charitable Activities	3	515	-	10,652	11,240	11,167	11,240
Investment Income	4	-	7	-	-	-	7
Total Income		150,833	101,949	86,991	91,412	237,824	193,361
Resources Expended							
Charitable Activities	5	98,964	92,019	87,495	91,167	186,459	183,186
Net Incoming Resources for the Year	8	51,869	9,930	(504)	245	51,365	10,175
Reconciliation of Funds:							
Total Funds Brought Forward		142,329	132,399	8,383	8,138	150,712	140,537
Total Funds Carried Forward		194,198	142,329	7,879	8,383	202,077	150,712