

*For internal purposes only*

**ACTIVE CHRISTIAN TRUST**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

**Charity Number 1015452**

# ACTIVE CHRISTIAN TRUST

*For internal purposes only*

## Contents

	Page
Trust Information	2
Trustees' Report	3
Statement of Trustees' Responsibilities	6
Independent Examiner's Report	7
Statement of Financial Activities	8
Balance Sheet	9
Notes to the Financial Statements	10

# ACTIVE CHRISTIAN TRUST

*For internal purposes only*

## Legal and Administrative Information

<b>Trustees</b>	L Cantle
	S Cooper (resigned 9.4.18)
	P Goldsmith
	S Dunlop
	M Hughes
	C Hawtree (appointed 12.6.18)
	L Trevallion (appointed 18.6.18)
	K Radford (appointed 14.8.18)
<b>Charity Number</b>	1015452
<b>Principal address</b>	7-9 Brook Road
	Rayleigh
	Essex
	SS6 7UT
<b>Independent Examiners</b>	Connah Goldsworthy
	12 Station Court
	Station Approach
	Wickford
	Essex
	SS11 7AT

**ACTIVE CHRISTIAN TRUST**  
**(Reg. Charity No. 1015452)**

**Annual Report for the Year ending 30th September 2018**

**Charitable purpose and public benefit**

The purpose of the Trust is the provision of recreational and leisure facilities and activities for young people in particular, and the provision of social welfare activities and programmes for the benefit of the community. As recommended by the Charity Commission, the income generating trading activities are channelled through the MegaCentre Rayleigh Ltd, its 100% owned trading subsidiary.

The activities and programmes of the Trust are varied and include youth centre sessions; a Dads 'n' Kids Club; special needs groups sessions for young people; Parentalk Parenting programmes; over-50's sessions; Family Fun House sessions for families with additional needs; XL Mentoring programme with 20 trained mentors; Sensory Room babies activities; music practice; dance; drama; and mothers & toddlers groups. External groups and local charities also make good use of the facilities of the Centre.

In planning its activities, the Trustees have had regard to the guidance issued by the Charity Commission on public benefit.

Besides all the trading operational staff, the Centre employs both full-time and part-time Youth Workers, and both full-time and part-time Family Support Workers. The quality and range of the programmes provided by the Centre are such that many referrals are now made by schools, Social Services and other local community organisations.

**Financing and the relationship with The MegaCentre Rayleigh Ltd**

The Trust is governed by a board of trustees that meet regularly to discuss its activities and to provide direction and leadership. The trust owns the building from which The MegaCentre Rayleigh Ltd operates and much of the financing for the Trust's work comes in the form of rental income received from renting this building to The MegaCentre Rayleigh Ltd. Because the activities of the two organisations are closely aligned, 2 trustees currently also act as directors of The MegaCentre Rayleigh Ltd to ensure operational consistency across both organisations.

With the aid of a mortgage due to be repaid in April 2020, the Trust owns the freehold on the property at 7-9 Brook Road but, under an agreement with The MegaCentre Rayleigh Ltd, the recreational equipment and other assets in the building are owned by The MegaCentre Rayleigh Ltd. The equipment serves both the purposes of The MegaCentre Rayleigh Ltd and those of the Trust, and the Trust makes a payment to The MegaCentre Rayleigh Ltd for its use of those assets. Income that is received by the Trust for the acquisition of additional equipment is not reflected in the Trust's expenditure as it is introduced firstly as a loan to The MegaCentre Rayleigh Ltd and then subsequently converted into share capital. The trustees and The MegaCentre Rayleigh Ltd directors' aim is for The MegaCentre Rayleigh Ltd to financially break-even.

Where operational costs are incurred by The MegaCentre Rayleigh Ltd but benefit both organisations, these costs are shared between the two entities on a formulaic basis.

**ACTIVE CHRISTIAN TRUST**  
(Reg. Charity No. 1015452)

**Annual Report for the Year ending 30th September 2018**

**Review of activities**

During the year, the Trust continued to work on expanding the reach of the Trust into the community, raising its profile, and increasing its programme of community projects.

The S-Kape youth centre continues to prove popular locally and provides a safe haven for young people of the area. The trustees agreed a free admission policy to the S-Kape youth centre throughout the year (2017: £7,327). The work of S-Kape is led by a full-time Youth Development Worker, with sessional support, but also supported by a team of volunteers. The trustees are grateful for the time and commitment they collectively invest in the young people. As culture changes, the youth centre team continues to review the facilities and activities that it offers so they remain relevant to the lives of the young people that it seeks to serve.

The Dads 'n' Kids Club continues to prove very popular and beneficial, and the trustees are grateful to the individuals who have provided most of the funding for the running of this activity. Our Family Support Workers are invaluable members of the Centre team and are actively involved in the Strengthening Families programme, Family Fun House, Parentalk courses, plus a growing amount of individual family support work. Schools and Social Services are now often the source of referrals for this important work.

The theatre is used for a wide range of community activities and is a popular venue for public events, including community cinema. The theatre facilities have recently been upgraded with new stage lighting and stage curtains. The popularity of the Sensory Room is growing and is a particular attraction for mothers with very young children and those with disabilities that can prevent them from taking part in the more physical activities that the Centre offers.

**Financial Review**

Unrestricted income for the year was £140,083 (2017: £161,199) and as in previous years, the majority of the income was received in the form of rental income paid by The Megacentre Rayleigh Ltd for use of the building. The Trust paid The Megacentre Rayleigh Ltd £nil (2017: £56,000) in recognition of the operational costs incurred by The Megacentre Rayleigh Ltd that were incurred for the benefit of both organisations. This combination of income and expenditure resulted in net incoming resources of £37,235 for the year.

Restricted funds, which have been provided to ACT for specific purposes, saw income of £8,746 (2017: £10,329) and expenditure of £17,983 (2017: £8,161). The total balance of restricted funds held at the end of the year to 30.9.18 was £2,188 (2017: £11,425).

In the coming year, the Trust is seeking to grow its personal supporter base and to seek sponsorship funding from local businesses. It will also seek to increase grant funding to finance some of the more significant building and refurbishment work that is planned.

**Reserves**

Funds given to the Trust for specific purposes, mainly in the form of grants, are strictly allocated for that purpose and do not form part of the reserves. The trustees consider that due to the regular rental income received from The Megacentre Rayleigh Ltd and the nature of expenditure incurred, the target for formal reserves is £15,000. Reserves are held as part of unrestricted funds.

ACTIVE CHRISTIAN TRUST  
(Reg. Charity No. 1015452)

ANNUAL REPORT FOR YEAR ENDING 30th SEPTEMBER 2018

**Risk Management**

The Trustee Board examine the major risks that the charity faces each financial year when preparing and updating its strategic plan. The Trust has developed systems to monitor and control these risks and to mitigate any impact that they may have.

**Summary**

The Trustees are very thankful to those organisations that have contributed to the work of the Trust and are also very grateful to the volunteers who cover many areas of the work. Without their substantial input and consistent dedication, the aims of the Trust could not be sustained to the current level. The volunteer input speeds the progress of development due to the financial savings achieved and also enables the Trust to provide a high level of service to the young people and the community who attend and use the facilities.

The Trustees are committed to ensuring high standards in all aspects of its work as the Trust strives to create a centre of excellence. The trustees acknowledge the commitment and dedication of the Chief Executive Officer and look forward with optimism as the expanding community programmes continue to bring new opportunities and challenges.

The Trust will again need to be successful with new grant applications to maintain momentum with desired development work. However, the project has been faith-based from the beginning and this important aspect remains undiminished as the growing potential and value of the work of the Trust to the community continues to become more widely recognised and acknowledged.

Signed on behalf of the board of Trustees



.....  
L. Cantle – Trustee

Dated ..... 11/3/2019 .....

**ACTIVE CHRISTIAN TRUST**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

**YEAR ENDED 30 SEPTEMBER 2018**

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**THE TRUSTEES**

The Trustees who served on the charity committee during the period are set out on page 2.

The Trustees are responsible for the recruitment of any new trustees.

**RESPONSIBILITIES OF THE TRUSTEES**

The Charities Act requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the charity at the end of the year and of the surplus or deficiency for the year then ended.

In preparing those financial statements, the Trustees are required to select suitable accounting policies, as described on page 10, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The Trustees must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011. The Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **ACTIVE CHRISTIAN TRUST**

## **INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES**

**YEAR ENDED 30 SEPTEMBER 2018**

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I report on the accounts of the trust for the year ended 30 September 2018, which are set out on pages 8 to 14.

### **RESPECTIVE RESPONSIBILITIES OF THE TRUSTEES AND EXAMINER**

As the charity's trustees you are responsible for the preparation of the accounts; you consider that the audit requirement of Section 145 of the Charities Act 2011 (the Act) does not apply. It is my responsibility to state, on the basis of procedures specified in the General Directions given by the Charity Commissioners under Section 145(5) (b) of the Act, 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 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 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 I do not express an audit opinion on the view given by the accounts.

### **INDEPENDENT EXAMINER'S STATEMENT**

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

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

12 Station Court  
Station Approach  
Wickford  
Essex  
SS11 7AT

  
.....  
**E C PARKER FCCA**  
**Connah Goldsworthy**  
**Chartered Certified Accountants**

11TH MARCH 2019  
.....  
**Dated**



# ACTIVE CHRISTIAN TRUST

## Statement of Financial Activities for the year ended 30 September 2018

### SUMMARY INCOME AND EXPENDITURE ACCOUNT

	Notes	Unrestricted * funds £	Restricted funds £	Total 2018 £	Total 2017 £
<b>INCOMING RESOURCES</b>					
Donations & legacies	2	15,337	3,386	18,723	47,900
Activities in furtherance of the charity's objectives	3	-	5,360	5,360	4,380
Investment Income	4	114,396	-	114,396	114,396
Other incoming resources	5	1,604	-	1,604	8,073
<b>Total Income</b>		<u>131,337</u>	<u>8,746</u>	<u>140,083</u>	<u>174,749</u>
<b>RESOURCES EXPENDED</b>					
<b>Cost of generating funds</b>					
Fundraising and publicity		-	-	-	-
<b>Charitable expenditure</b>					
Costs of activities in furtherance of the charity's objects:					
Mortgage Interest		3,129	-	3,129	3,464
Staff costs		64,878	15,907	80,785	53,326
Management and administration		16,858	-	16,858	14,887
Support Costs		-	2,076	2,076	95,624
<b>Total resources expended</b>	6	<u>84,865</u>	<u>17,983</u>	<u>102,848</u>	<u>167,301</u>
<b>Net incoming resources before transfers</b>		46,472	(9,237)	37,235	7,448
Transfers between funds		-	-	-	-
<b>Net incoming resources / (resources expended) before other recognised gains and losses</b>		46,472	(9,237)	37,235	7,448
Loss on revaluation of Fixed Asset Investment	10	-	-	-	-
<b>Net movement in funds</b>		<u>46,472</u>	<u>(9,237)</u>	<u>37,235</u>	<u>7,448</u>
Fund balances at 1 October 2017		1,044,777	11,425	1,056,202	1,048,754
<b>Fund balances at 30 September 2018</b>		<u>1,091,249</u>	<u>2,188</u>	<u>1,093,437</u>	<u>1,056,202</u>

\* unrestricted funds includes designated funds


# ACTIVE CHRISTIAN TRUST

## Balance Sheet as at 30 September 2018

	Notes	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	9	880,000	880,000
Investments	10	265,000	265,000
		<u>1,145,000</u>	<u>1,145,000</u>
<b>Current assets</b>			
Debtors	11	8,169	8,169
Prepayments		-	-
Cash at Bank and in hand		10,847	18,485
		<u>19,016</u>	<u>26,654</u>
<b>Creditors</b>			
Amounts falling due within one year	12	<u>(45,091)</u>	<u>(45,481)</u>
<b>Net current assets</b>		(26,075)	(18,827)
<b>Total assets less current liabilities</b>		<u>1,118,925</u>	<u>1,126,173</u>
<b>Creditors: amounts falling due after more than one year</b>	13	(25,488)	(69,971)
<b>Net assets</b>		<u><u>£1,093,437</u></u>	<u><u>£1,056,202</u></u>
<b>Income funds</b>			
Unrestricted Funds	14	1,091,249	1,044,777
Restricted Funds	14	2,188	11,425
		<u><u>£1,093,437</u></u>	<u><u>£1,056,202</u></u>

Approved by the trustees on

11/3/2019

  
P. GOLDSMITH  
Trustee

  
L. Cantle  
Trustee

# ACTIVE CHRISTIAN TRUST

## Notes to the financial statements for the year ended 30 September 2018

### 1 Accounting policies

#### 1.1 Basis of preparation of accounts

The financial statements have been prepared under the historical cost convention and applicable accounting standards. They 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)) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Active Christian Trust meets the definition of a public benefit entity under FRS 102.

#### 1.2 Going Concern

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

#### 1.3 Cash Flow

The financial statements do not include a cash flow statement because the charity, as a small reporting entity, is exempt from the requirements to prepare such a statement.

#### 1.4 Incoming resources

Income represents the total amount receivable by the charity from all sources including Income Tax repayments.

#### 1.5 Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Expenditure which is directly attributable to specific activities has been included in these cost categories. Where costs are attributable to more than one activity, they have been apportioned across the cost categories on a basis consistent with the use of these resources.

#### 1.6 Tangible fixed assets and depreciation

The valuation of the freehold property is based on a professional valuation which was last updated on 11 June 2008, and the current balance sheet value is based on this valuation.

No depreciation has been provided on the freehold property on the basis that it is not material. The trustees are regularly upgrading the property and expending funds on repairs to maintain the structure of the property and for this reason the residual value is being maintained. For this reason any depreciation which would be charged is not material.

#### 1.7 Investments

Fixed asset investments are stated at the lower of cost or net realisable value.

#### 1.8 Expenditure on management and administration of the charity

Administration expenditure includes all expenditure not directly related to the charitable activity or fundraising ventures. This includes costs of running office premises and staff salaries for administrative staff and audit fees.

# ACTIVE CHRISTIAN TRUST

## Notes to the financial statements for the year ended 30 September 2018

2	Donations and legacies			2018	2017
				£	£
	Donations and gifts			<u>18,723</u>	<u>47,900</u>
3	Activities in furtherance of the charity's activities			2018	2017
				£	£
	Grants receivable for charitable activities			5,360	4,380
				<u>5,360</u>	<u>4,380</u>
4	Investment income			2018	2017
				£	£
	Rental income			114,396	114,396
	Bank interest			-	-
				<u>114,396</u>	<u>114,396</u>
5	Other incoming resources			2018	2017
				£	£
	Gift Aid repayments			1,164	358
	Sundry income			440	388
	Scape Entrance Fees			-	7,327
				<u>1,604</u>	<u>8,073</u>
6	Total resources expended	Staff costs	Other costs	2018	2017
		£	£	£	£
	Charitable expenditure:				
	Mortgage interest		3,129	3,129	3,464
	Staff costs	80,785		80,785	53,326
	Fund raising costs			-	-
	Management and administration		16,858	16,858	14,887
	Support Costs		2,076	2,076	95,624
		<u>80,785</u>	<u>22,063</u>	<u>102,848</u>	<u>167,301</u>

### 7 Trustees

During the year there are no payments made to the Trustees of the charity.

### 8 Employees

#### Number of employees

The average number of employees analysed by function, were:-

	2018 Number	2017 Number
Youth work, management & Administration	<u>6</u>	<u>7</u>

There were no employees whose annual emoluments were £50,000 or more.

# ACTIVE CHRISTIAN TRUST

## Notes to the financial statements for the year ended 30 September 2018

### 9 Tangible fixed assets

	Land and Buildings £
<b>Cost</b>	
At 1 October 2017	880,000
Additions	-
Disposals	-
Revaluation	
At 30 September 2018	<u>880,000</u>
<b>Depreciation</b>	
At 1 October 2017	-
Charge for year	-
Disposals	-
At 30 September 2018	<u>-</u>
<b>Net book value</b>	
At 30 September 2018	<u>880,000</u>
At 30 September 2017	<u>880,000</u>

The property was professionally valued on 11 June 2008 by Stevens Scanlan Ltd, Chartered Surveyors at an open market value of £1,100,000. However the valuation of £880,000 has been arrived at by the trustees after taking into account improvements to the property recorded in the financial statements of The Megacentre Rayleigh Ltd (a wholly owned subsidiary). The trustees consider this prudent in order to avoid any double counting of the improvement costs of the property.

In the trustees opinion, the current open market value of the property is not less than the valuation recorded in these accounts.

In addition to the primary mortgage charge to the West Bromwich Building Society of £113,952 the property has a charge of £384,374 to Barnardos.

### 10 Fixed asset investments

	£
Cost/valuation at 1 October 2017	265,000
Diminution in value	-
Cost/valuation at 30 September 2018	<u>265,000</u>

#### Holdings of more than 10%

The charity holds more than 10% of the share capital of the following companies:

Company	Country of registration or Incorporation	Class	%
Subsidiary undertakings			
The Megacentre Rayleigh Ltd	United Kingdom	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves £	Profit/(Loss) for the year £
The Megacentre Rayleigh Ltd	<u>39,956</u>	<u>(1,445)</u>

The fixed asset investment was written down by £600,000 in 2016, in order to reflect a fairer representation of its value given the recurrent trading losses and balance sheet values of The Megacentre Rayleigh Ltd.

# ACTIVE CHRISTIAN TRUST

## Notes to the financial statements for the year ended 30 September 2018

<b>11 Debtors</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Amounts owed by group undertaking	8,169	8,169
	<u>8,169</u>	<u>8,169</u>
<b>12 Creditors: amounts falling due within one year</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Mortgage	43,981	43,981
Accruals and deferred income	1,110	1,500
	<u>45,091</u>	<u>45,481</u>
<b>13 Creditors: amounts falling due after more than one year</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Mortgage	25,488	69,971
	<u>25,488</u>	<u>69,971</u>
Loan maturity analysis		
Debt due in one year or less	43,981	43,981
Between one and two years	25,488	43,981
In more than two years but not more than five years	-	25,990
	<u>69,469</u>	<u>113,952</u>

The mortgage is secured by a fixed charge in favour of West Bromwich Building Society over the Trust's property. The original loan and the new loan of £205,000 (drawn down in July 2008) is repayable by instalments reflecting interest and capital repayment such as to repay the Mortgage loan by 2020.

### 14 Analysis of net assets between funds

	Unrestricted General Fund	Designated Fund	Restricted Fund	Total
		£	£	£
Tangible fixed assets		880,000	-	880,000
Investments		265,000	-	265,000
Current assets	8,659	8,169	2,188	19,016
Creditors: amounts falling due within one year	(1,300)	(43,791)	-	(45,091)
Creditors: amounts falling due after more than one year		(25,488)	-	(25,488)
	<u>7,359</u>	<u>1,083,890</u>	<u>2,188</u>	<u>1,093,437</u>

The Designated Fund includes funds received for specific purposes and is therefore ring-fenced and also represents the charity's Investment and Property Fund, which has been separately designated to hold the Trust's freehold property, and improvements to the property. As set out in the Trustee's Report, the improvements to the charity's property are held by The Megacentre Rayleigh Ltd, and these are funded by virtue of an investment in the share capital of the charity's subsidiary company.

## ACTIVE CHRISTIAN TRUST

### Notes to the financial statements for the year ended 30 September 2018

#### 15 Contingent liabilities

In the event of a sale of the property a charge to Barnados will be payable from the proceeds only upon any future sale of the property.

The maximum amount repayable to Barnados (to include crystallised interest at date of purchase) would be in the sum of £384,374.

At 30 September 1999, the rental arrears totalled £225,483. At the purchase date of the property (26 April 2000) this arrears, together with the nominal rent charge for the period 1 October 1999 (£9,800) was waived. On the acquisition of the property from Barnados, a sum of £384,374 was converted to a further charge on the property, repayable from any sales proceeds surplus. The arrears have been transferred to the Investment and Property Fund at book value. No provision is made for interest charges.

If the property were to be sold at the balance sheet date, for the carrying value, all secured charges would be met.

#### 16 Related parties

During the year, Active Christian Trust received £114,396 (2017- £114,396) from The Megacentre Rayleigh Ltd, its subsidiary undertaking, for rent of the premises from which the subsidiary operates.

At the year end, Active Christian Trust was owed £8,169 (2017- £8,169) by The Megacentre Rayleigh Ltd. This debtor is the net effect of loans for expenditure paid on behalf of the company and the increase in the issued share capital in The Megacentre Rayleigh Ltd. No interest is receivable on this debt and there is no fixed repayment schedule.

