

THE MANNA HOUSE TRUST

TRUSTEES REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 SEPTEMBER 2018

Registered Charity Number 286358

THE MANNA HOUSE TRUST

CONTENTS

Report of the trustees	2 to 4
Independent examiner's report	5
Statement of financial activities	6
Balance sheet	7
Notes to the financial statements	8 to 14

THE MANNA HOUSE TRUST
REPORT OF THE TRUSTEES

The trustees present their report and the financial statements for the year ended 30 September 2018.

Principal activity and objects

The Manna House Trust (formally The Northampton Christian Centre Trust) is registered by the Charity Commission as charity number 286358 and is governed by a trust deed dated 23 August 1982 and a supplemental deed dated 8 January 1983. Another supplemental deed was added on 8 May 2003 changing two parts of the constitution and the charity's name. The Charity Commission accepted these changes on 26 February 2004 and the charity has been known as The Manna House Trust with effect from that date. It is controlled by a working committee and aims to serve the local community and promote the Christian religion. Its mission is:

- To establish an inter-denominational Christian Centre of good standing which reaches out to the community and acts as a support and catalyst to churches in the locality.
- To provide a well- respected counselling service freely available to all communities throughout the county of Northamptonshire.
- To provide counsellor training courses to potential counsellors on a local, national and international basis.
- To help and advise, where appropriate, other groups around the county to establish counselling services.

The Trust owns 100% of the issued share capital of Northampton Christian Centres Limited, a company in which D V Hill, V G Winchcombe and J C Nightingale are directors. The company is principally engaged in the sale of Christian books, music and associated goods.

Review of the activities and achievements

A full review of the Trust's activities is set out in a separate annual report.

2017-18 has been a year of trying to consolidate all aspects of the work whilst continuing to deal with the challenges of the local and national financial climate.

The main challenge has been with regard to the Christian Bookshop. The retail climate in the town has been badly affected by the closure of two well-known high street stores, footfall is down and the town is significantly quieter. Having monitored and reviewed things carefully it is now clear to those responsible that the Shop cannot continue to trade beyond the break clause in the lease which falls in March 2019. After 35 years of service, this decision does not sit easily but it is clearly the right thing to do. The Trustees will therefore write off the loan currently held as its investment in the Shop and October 2018 to March 2019 will be the last six months of the trading.

The Trustees have been pleased to see how the mission statement of the Counselling Service has been accomplished during the last year:-

1. To provide a well respected counselling service freely available to all Communities throughout the county of Northamptonshire.

The Manna House Counselling Service (MHCS) has maintained the number of face to face counselling and supervision sessions during the year to about 2,500. This maintains the MHCS as the second largest Voluntary Sector counselling agency in the County and enables its team of 31 counsellors to offer essential help to many people facing difficulties and life traumas. This year, some 220+ referrals were received and processed which indicates the need for this service in the community. 49% of those attending counselling

THE MANNA HOUSE TRUST

REPORT OF THE TRUSTEES

were unwaged and therefore struggled to contribute to costs. This continues to have a significant impact on MHCS resources, which makes sustainability an ongoing challenge. The demand for the service continues to escalate and the waiting list for counselling has escalated during the year and now stands at 70+ which equates to 4 to 5 months waiting time.

The service has been helped by its involvement in the Mental Health Northants Collaboration, which has helped secure two streams of funding for the forthcoming year. The Northampton Borough Council has also maintained a level of support. More grants of this nature will be sought to add to the sustainability of the service. Income was also received from a number of local and national charitable trusts.

Contracted work has continued at a local GP surgery and a forensics company, other contracts are being sought.

2. To provide counsellor training courses to potential counsellors on a local, national and international basis.

Despite the economic climate the numbers of students on the training courses have been maintained both in Northampton. The delivery of a progressive programme of counsellor training in the UK at Level 2 (Introduction), Level 3 (Certificate) & Level 4 (Diploma) has been successfully completed in Northampton. Further training development work has been done, in conjunction with the Mental Health Northants Collaboration to produce six well-being courses which are now available to be offered. The UK counselling courses continue to comply with the Open College Network and the Association of Christian Counsellors' frameworks, both of which maintain the educational credibility of the whole training programme.

3. To help and advise, where appropriate, other groups around the country to establish counselling centres.

This work continues on a formal basis with groups in Bedford and Milton Keynes. Informally, enquiries are dealt with on a regular basis.

Manna House Counselling Service continues to make a significant contribution to the maintenance of inclusive, effective communities in Northamptonshire and beyond, through our face to face counselling service, partnership working with statutory bodies & other voluntary sector organisations.

Despite showing a deficit, which is due to the write off of the Shop loan, the Trustees reflect favourably on these accounts as the revenue account shows a surplus of £14,000. The Trust is in a satisfactory position as 2018-19 begins but will make securing 3/5 year funding a priority

THE MANNA HOUSE TRUST

REPORT OF THE TRUSTEES

Financial review

The net outgoing resources of the Charity for the year amounted to £(129,172) as set out on page 6.

No depreciation has been provided on freehold land and buildings as in the opinion of the trustees the present market value is in excess of original costs.

Reserves policy

The trustees have again reviewed this policy and aim to ensure that unrestricted reserves be sufficient to cover 3 to 6 months expenses. This would negate the need to realise fixed assets due to unforeseen difficulties.

Trustees and members of the committee

The trustees serving during the year were:

V G Winchcombe (chair)

D V Hill

The members of the committee serving during the year were:

K T Davidson

E P Harding (representative of the Parochial Church for the Parish of St Giles)

L E Thomson (Mount Pleasant Baptist Church)

Mrs H M Gompertz

J C Nightingale (Honorary secretary, non-voting)

Principal address

73 St Giles Street
Northampton
NN1 1JF

Independent examiner

Neil Sawford FCCA
Sawford Bullard
Accountants
The Old Mill
Blisworth Hill Farm
Stoke Road
Blisworth
Northampton
NN7 3DB

Bankers

The Co-operative Bank Plc
65/65a St Giles Street
Northampton
NN1 2BH

On behalf of the trustees

21 May 2019



J C Nightingale
Honorary secretary

THE MANNA HOUSE TRUST

INDEPENDENT EXAMINER'S UNQUALIFIED REPORT TO THE TRUSTEES

I report to the charity trustees on my examination of the financial statements of The Manna House Trust ('the charity') for the year ended 30 September 2018 which are set out on pages 1 to 14.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

Neil K Sawford FCCA

Sawford Bullard
Accountants
The Old Mill
Blisworth Hill Farm
Stoke Road
Blisworth
Northampton
NN7 3DB



21 May 2019

THE MANNA HOUSE TRUST
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED
30 SEPTEMBER 2018

		Unrestricted funds	Restricted funds	2018	2017
	Note	£	£	£	£
Incoming resources					
Donations and legacies received		85,520		85,520	56,089
Grants received from local councils		-	34,921	34,921	24,289
Counselling course and contract fees		27,597		27,597	39,844
Interest received		56		56	83
Total income and endowments		113,173	34,921	148,094	120,305
Resources expended and exceptional item	4	(242,345)	(34,921)	(277,266)	(136,797)
Net (outgoing)incoming resources		(129,172)	-	(129,172)	(16,492)
Balances at 1 October 2016		601,259	-	601,259	617,751
Balances at 30 September 2017		472,087		472,087	601,259

THE MANNA HOUSE TRUST

BALANCE SHEET AT

30 SEPTEMBER 2018

		2018	2018	2017	2017
	Note	£	£	£	£
Fixed assets					
Tangible fixed assets	5		384,165		384,282
Investment in subsidiary	6		-		35,000
			<u>384,165</u>		<u>419,282</u>
Current assets					
Debtors	7	7,136		112,348	
Cash at bank and in hand		102,467		92,379	
		<u>109,603</u>		<u>204,727</u>	
Creditors: due within one year	8	<u>(10,571)</u>		<u>(11,640)</u>	
Net current assets			99,032		193,087
Total assets less current liabilities			<u>483,197</u>		<u>612,369</u>
Creditors: due after one year	9		<u>(11,110)</u>		<u>(11,110)</u>
Total net assets			<u>472,087</u>		<u>601,259</u>
Income funds					
Restricted reserves	10		-		-
Unrestricted reserves	11		472,087		601,259
Total charity funds			<u>472,087</u>		<u>601,259</u>

These financial statements were approved by the board of trustees and committee on 21 May 2019 and are signed on behalf of the board by:

D V Hill
Trustee and committee member

THE MANNA HOUSE TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED
30 SEPTEMBER 2018

1. General information

The charity is a registered charity in England and Wales and is unincorporated. The address of the principal office is 73 St Giles Street, Northampton NN1 1LF.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, The Financial Reporting Standard applicable in the UK and the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income and expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Cash flow statement

The charity satisfies the criteria of being a qualifying entity as defined by FRS 102 and has taken advantage of exemption in respect of not preparing a cash flow statement.

Going concern

There are no material uncertainties about the charity's ability to continue.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the proprietor for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor

THE MANNA HOUSE TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED
30 SEPTEMBER 2018

or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.

- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

VAT

Value added tax is not recoverable by the charitable company, and as such is included in the relevant costs in the Statement of Financial Activities and tangible fixed assets.

Tangible fixed assets and depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Freehold land and buildings	Nil
Office equipment	25% on reducing balance
Computer equipment	33.3% straight line

THE MANNA HOUSE TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED
30 SEPTEMBER 2018

4. Resources expended

	Unrestricted funds	Restricted funds	2018	2017
	£	£	£	£
Salaries recharged from N.C.C. Ltd.	42,880	34,921	77,801	82,044
Staff training	2,443		2,443	5,431
Counselling course and contract expenses	2,715		2,715	5,338
Consultancy fees and fund raising	3,000		3,000	4,953
Advertising and publicity	0		0	959
Travelling costs	2,385		2,385	2,371
Rent	14,500		14,500	14,500
Rates and water charges	4,195		4,195	4,906
Insurances	4,777		4,777	4,340
Property repairs and maintenance	7,137		7,137	3,270
Light and heat	3,324		3,324	1,719
Telephone, internet and office costs	1,527		1,527	3,592
Independent examiners fees	1,850		1,850	1,850
Professional fees and subscriptions	6,157		6,157	421
Sundry expenses and cleaning	1,678		1,678	957
Depreciation	117		117	146
Investment in and loans to Northampton Christian Centre Ltd written off (see Note 6)	143,660		143,660	-
	<u>242,345</u>	<u>34,921</u>	<u>277,266</u>	<u>136,797</u>

THE MANNA HOUSE TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED
30 SEPTEMBER 2018

5. Tangible fixed assets

	Freehold land and buildings	Office equipment	Total
	£	£	£
Cost			
1 October 2017	383,699	18,231	401,930
Additions	-	-	-
Disposals	-	-	-
30 September 2018	383,699	18,231	401,930
Depreciation			
1 October 2017	-	17,648	17,648
Charge for period	-	117	117
On disposals	-	-	-
30 September 2018	-	17,765	17,765
Net book value			
30 September 2018	383,699	466	384,165
30 September 2017	383,699	583	384,428

The trustees do not consider it beneficial to the charity to incur the cost of an external valuation of charity's freehold property. The trustees' are of the opinion that market value exceeds book value and therefore no depreciation has been applied.

THE MANNA HOUSE TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED
30 SEPTEMBER 2018

6. Investment in subsidiary

The charity owns the entire share capital of Northampton Christian Centres Limited which is principally engaged in the sale of Christian books, music and associated goods. The company is registered in England and Wales under number 1694054 and the registered office is situated at 73 St Giles Street, Northampton, NN1 1JF.

A summary of the trading results for the year ended 30 September 2018 is shown below:

	2018	2017
	£	£
Turnover	152,229	176,441
Cost of sales	(61,439)	(77,963)
Gross profit	90,790	98,478
Administrative expenses	(174,904)	(180,133)
Other operating income	78,101	90,362
Interest received	-	25
Profit/(Loss) before taxation	(6,013)	8,732
Taxation	-	-
Profit/(Loss) after taxation	(6,013)	8,732
 Capital and reserves	 (34,713)	 (28,700)

Subsequent to the end of the financial year, the trustees determined that the increasing challenges of operating a retail business in Northampton made the business no longer viable and that the business should close at the expiry of the lease in March 2019. These financial statements therefore include provisions against the cost of the original investment of £35,000 and the loans owed to the Trust of £108,660.

7. Debtors

	2018	2017
	£	£
Amounts falling due within one year		
Trade debtors	1,514	2,213
Grants receivable	0	4,300
Prepayments and accrued income	5,622	1,275
	7,136	7,788
 Amounts falling due after one year		
Loan Northampton Christian Centres Limited	-	104,560

THE MANNA HOUSE TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED
30 SEPTEMBER 2018

Total debtors	<u>7,136</u>	<u>112,348</u>
8. Creditors due within one year		
	2018	2017
	£	£
Trade creditors	436	940
Other creditors	10,135	10,700
	<u>10,571</u>	<u>11,640</u>
9. Creditors due after one year		
	2018	2017
	£	£
Other loans	11,110	11,110
	<u>11,110</u>	<u>11,110</u>

Other loans relate to loans from individuals, which are interest free with no fixed repayment date.

10. Restricted reserves

	2017	Incoming resources	Resources expended	2018
	£	£	£	£
Counselling fund	-	34,921	(34,921)	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

11. Unrestricted funds

	2017	Incoming resources	Resources expended	2018
	£	£	£	£
General income fund	601,259	113,173	(242,345)	472,087
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

THE MANNA HOUSE TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED
30 SEPTEMBER 2018

12. Analysis of net assets by fund

	Unrestricted funds	Restricted funds	2017
	£	£	£
Tangible fixed assets	384,165	-	384,165
Current assets	103,603	6,000	109,603
Creditors due within one year	(4,571)	(6,000)	(10,571)
Creditors due after one year	(11,110)	-	(11,110)
At 30 September 2017	<u>472,087</u>	<u>-</u>	<u>472,087</u>

13. Transactions with trustees

During the year the Charity paid £3,000 (2017: £3,000) to V G Winchcombe, a trustee, in respect of consultancy fees and fundraising. These payments were approved by the trustees and are authorised by the Charity's trust deed.

No remuneration was paid to the trustees in either the current or the previous year.

14. Ultimate controlling party

The Manna House Trust is controlled by its board of trustees as identified in the trustees report.

No transitional adjustments were required in the retained funds or income or expenditure for the year.

15. Operating lease commitments

The total future minimum lease payments under not-cancellable operating leases are as follows:

	2018	2017
	£	£
Not later than 1 year	6,405	
Later than 1 year and not later than 5 years	-	25,375
	<u>6,405</u>	<u>25,375</u>

THE MANNA HOUSE TRUST
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED
30 SEPTEMBER 2018

	2018	2018	2017	2017
	£	£	£	£
Income				
Donations and legacies received		85,520		56,089
Grants received from local councils		34,921		24,289
Counselling course and contract fees		27,597		39,844
Interest received		56		83
		148,094		120,305
Less overheads				
Wages recharged from N.C.C. Ltd.	77,801		82,044	
Staff training	2,443		5,431	
Counselling course and contract expenses	2,715		5,338	
Consultancy fees and fund raising	3,000		4,953	
Advertising and publicity	0		959	
Travelling costs	2,385		2,371	
Rent	14,500		14,500	
Rates and water charges	4,195		4,906	
Insurances	4,777		4,340	
Property repairs and maintenance	7,137		3,270	
Light and heat	3,324		1,719	
Telephone, internet and office costs	1,527		3,592	
Independent examiners fees	1,850		1,850	
Professional fees and subscriptions	6,157		421	
Sundry expenses and cleaning	1,678		957	
Depreciation	117		146	
Investment in and loans to Northampton Christian Centre Ltd written off (see Note 6)	143,660		0	
		277,266		136,797
Net deficit for year		(129,172)		(16,492)

This page does not form part of the statutory accounts